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June 7, 2004

**VIA HAND DELIVERY & ELECTRONIC MAIL**

Luly E. Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02888

**Re: The Narragansett Electric Company - Revenue Neutral  
Allocated Cost of Service Filing, Docket No. \_\_\_\_\_**

Dear Ms. Massaro:

Pursuant to Section 23 of the Third Amended Stipulation and Agreement approved by the Commission in Docket No. 2930, enclosed please find ten copies of The Narragansett Electric Company's Revenue Neutral Allocated Cost of Service Filing, consisting of the testimony of Carlos A. Gavilondo and the testimony, schedules and work papers of Jeanne A. Lloyd.

Thank you for your attention to this filing. Should you have any questions regarding this transmittal, please contact me at the number referenced below.

Very truly yours,

*Laura S. Olton*

Laura S. Olton

Enclosures

cc: Docket 2930 Service List

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# The Narragansett Electric Company

## Revenue Neutral Allocated Cost of Service Filing

### Testimony and Schedules of Carlos A. Gavilondo and Jeanne A. Lloyd

June 7, 2004

Submitted to:  
Rhode Island Public Utilities Commission  
R.I.P.U.C. Docket No. \_\_\_\_\_

Submitted by:



Testimony of  
Carlos A. Gavilondo

**I. INTRODUCTION AND QUALIFICATIONS**

Q. Please state your full name and business address.

A. Carlos A. Gavilondo, 55 Bearfoot Road, Northborough, Massachusetts 01532.

Q. Please state your position.

A. I am Vice President, Distribution Regulatory Services, for The Narragansett Electric Company (“Narragansett” or “the Company”). In that capacity, I am responsible for the Company’s distribution rates and regulatory support groups.

Q. Please describe your educational background and training?

A. I graduated from Tulane University in New Orleans, Louisiana, with a Bachelor of Science degree in Electrical Engineering in 1985. In 1993, I received my law degree from Tulane Law School.

Q. What is your professional background?

A. From 1985 to 1990, I worked for Westinghouse Electric Corporation, primarily as a design engineer and later as a product specialist, in the Power Generation Business Unit, located in Orlando, Florida. In 1993, following my graduation from law school, I worked for one year as a federal judicial law clerk in New Orleans. I then joined the law firm of Squire, Sanders and Dempsey, in Phoenix, Arizona, where I worked from 1994 to 1996 practicing environmental law. In May 1996, I joined the legal department of New England Electric System, the predecessor of National Grid USA, where I worked on a

1 wide range of state and federal regulatory matters. In August 2001, I took the position of  
2 General Counsel for Silica Networks, S.A., a long-haul fiber optic telecommunication  
3 company based in Santiago, Chile, that was partly owned by a subsidiary of National  
4 Grid plc. As a result of National Grid's decision to exit the telecommunications business  
5 in Chile and Argentina, I returned to the United States in March of 2002, and assumed  
6 my present position in April 2002.

7  
8 **II. PURPOSE OF TESTIMONY**

9 Q. What is the purpose of your testimony?

10 A. The purpose of my testimony is to describe the basis for the Company's revenue neutral,  
11 allocated cost of service filing that is being made today. I also discuss generally the  
12 nature of a revenue neutral allocated cost of service study, and the effect of such a study  
13 on the establishment of new rates. In addition, I address the results of the Company's  
14 study as presented in the testimony of Ms. Jeanne A. Lloyd, and the Company's view on  
15 potential next steps for establishing new distribution rates for Narragansett.

16  
17 **III. BASIS FOR FILING**

18 Q. Why is the Company filing an allocated cost of service study ("Cost Study")?

19 A. Under Section 23 of the Third Amended Stipulation and Agreement approved by the  
20 Commission in Docket No. 2930 ("Settlement"),

21 if the Company has not filed a cost of service rate case to change rates for usage  
22 on and after January 1, 2005, the Company shall make a revenue neutral filing of

1 a fully allocated cost of service study by June 1, 2004 and propose new rates for  
2 all classes to take effect for usage on and after January 1, 2005.<sup>1</sup>

3  
4 Because the Company has not filed a cost of service rate case to change rates effective  
5 January 1, 2005, it is required to make the instant filing.  
6

7 Q. What does it mean that the Cost Study is “revenue neutral”?

8 A. Essentially, the revenue neutral allocated cost of service study required under Section 23  
9 of the Settlement provides for a *redesign* of Narragansett’s distribution rates. That is,  
10 while the Company is required to propose new rates as part of this filing, those new rates  
11 are to be designed to recover the same amount of revenue -- no more, and no less -- than  
12 would be recovered under current rates, assuming the same level of test-year distribution-  
13 related billing units. In other words, the requirement under the Settlement is that the  
14 Company is to propose rates that neither increase nor decrease the total size of the  
15 revenue “pie”; but rather, that it is to propose rates that may “re-size” the respective  
16 slices of that pie for which any particular rate class may be responsible.  
17

18 As demonstrated in the Cost Study described by Ms. Lloyd, the fact that the allocated  
19 revenue responsibility for some rate classes may go *down* by necessity results in the  
20 allocated revenue responsibility to other classes going *up*. Nevertheless, although the  
21 resulting rates for some service classes may increase, while others decrease, the  
22 combined effect of these changes is intended not to affect the Company’s overall revenue

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<sup>1</sup> On May 28, 2004, the Commission denied the joint motion to extend the time for filing of the revenue neutral allocated cost of service study to July 15, 2004, but granted the Company until June 7, 2004, to make the filing.

1 from that produced under current rates. Thus, the Cost Study produces rates that are  
2 revenue neutral on a total basis. The rate class revenue levels and billing units used for  
3 the Company's Cost Study are normalized 2003 revenues and billing units.  
4

5 **IV. ALLOCATED COST OF SERVICE STUDY**

6 Q. What is the significance of an allocated cost of service study?

7 A. The primary role of an allocated cost of service study is to serve as a basis for the  
8 apportionment of a utility's costs to serve its customers among customer classes for  
9 purposes of setting rates. Theoretically, rates charged to customers should reflect the  
10 cost to serve those customers. This is known as the principle of "cost causation" or "cost  
11 causality." The allocated cost of service study is intended to identify those costs incurred  
12 by the utility in serving particular customer classes in order to design rates that reflect  
13 this cost causation. In her testimony, Ms. Lloyd describes the process by which the  
14 Company first "functionalizes" its rate base and expenses into five functional categories,  
15 and then allocates those functionalized costs among rate classes. The allocators used to  
16 apportion these costs are described by Ms. Lloyd in her testimony, and set forth in detail  
17 in her accompanying schedules.  
18

19 Q. Is there more than one way to allocate the Company's costs when performing an  
20 allocated cost of service study?

21 A. Yes. Due to the complex and interrelated nature of the costs of providing electric  
22 delivery service, cost analysts may have different views on how to allocate costs among

1 customer classes, while still purporting to satisfy the cost causation principle. *See, e.g.,*  
2 Order No. 17820, *In re Pascoag Utility District* (May 5, 2004). The allocators used by  
3 Narragansett in this case are consistent with ones the Company has used in the past, and  
4 result in a reasonable allocation of costs consistent with the cost causation principle.  
5

6 Q. How does an allocated cost of service study factor into the setting of rates?

7 A. As stated above, a central objective in setting rates is to recover the cost of serving a  
8 particular customer class from that same class. This minimizes cross-subsidization  
9 between classes. The allocated cost of service study is intended to provide information  
10 on the relative cost to serve the respective customer classes in order to try to achieve this  
11 cost causation objective. Nevertheless, the allocated cost study is not the only factor to  
12 be considered in the setting of rates.  
13

14 Q. What other factors might be appropriate to consider when setting rates?

15 A. Ms. Lloyd briefly describes some of the principal non-cost factors that influence the  
16 setting of utility rates. These include efficiency, simplicity, rate continuity, fairness, and  
17 earnings stability. How these considerations may be reflected in a final rate design will  
18 generally depend on the specific circumstances involved.



1     **V. REVENUE NEUTRAL COST STUDY RESULTS**

2     Q. Please summarize the Company's Cost Study and the results presented by Ms. Lloyd.

3     A. As indicated above, the Cost Study presented by Ms. Lloyd is designed to be revenue  
4       neutral, and is based on normalized 2003 revenues and 2003 billing units. Among the  
5       normalized revenue adjustments reflected in the Cost Study is a reduction of  
6       approximately \$1.2 million to actual 2003 revenue relating to the credit provided to the  
7       Navy pursuant to the outcome of Docket No. 3551. The Cost Study also is premised on  
8       each rate class contributing an equalized rate of return on rate base. In addition to  
9       allocating revenue recovery among the customer classes, the Company proposes in its  
10      filing to consolidate a number of existing rates classes and reduce the total number of rate  
11      classes under which it serves customers. The reason for this consolidation and reduction  
12      is that the rationale for many of these separate rate classes no longer exists. Several of  
13      the rate classes were created well before the restructuring of the industry, when the  
14      economic interests of the utility were much different than they are today. Many of the  
15      classes have been closed to new customers for over 10 years. Other classes have no  
16      customers being served on them. In addition to the rate consolidations, the Company is  
17      proposing simplifying charges to some of the general service rate classes. Specific  
18      changes proposed are described in Ms. Lloyd's testimony and/or the schedules and  
19      workpapers included with that testimony.

20  
21      As can be seen from Ms. Lloyd's materials, the relative impact of the proposed rate  
22      changes in this filing varies among rate classes, and may also vary among customers

1 within a rate class. In some cases where the resultant rate change would be significant  
2 (e.g., the R-02 and E-30 rate classes), the Company has proposed certain transition  
3 options to mitigate the impact. In other cases, such as the impact on low-use, low-  
4 income customers of the former Blackstone Valley Electric Company from combining all  
5 low-income customers onto a single rate schedule, and enlarging the initial kWh block  
6 subject to a discount, the Company has not proposed a specific mitigation mechanism.  
7 Nevertheless, such a mitigation mechanism might be appropriate if the revenue neutral  
8 rates reflected in this filing were to be implemented. Such transition, or rate graduation  
9 mechanisms, may be warranted based on the non-cost rate-setting considerations  
10 mentioned above, even though they deviate from strict cost causation principles.  
11

12 Q. Do the rates presented by Ms. Lloyd reflect the low income surcharge provided for under  
13 Section 20 of the Settlement, or other charges or credits authorized under the Settlement?

14 A. No, they do not. Under Section 20, the Company is to track the incremental cost over  
15 \$600,000 that it incurs as a result of the expansion of the Low Income Rate A-60 to  
16 LIHEAP customers, and to recover those costs through a reconciling per kWh factor. In  
17 addition, after the Rate Freeze Period established in the Settlement, the Company is  
18 authorized to track and recover the entire incremental cost of the expansion of the rate to  
19 LIHEAP customers. Because the incremental revenue associated with such a surcharge  
20 was not included in actual 2003 revenue, it is also not reflected in the rates proposed  
21 under the revenue neutral Cost Study. Similarly, other charges or credits that might  
22 otherwise be owing to or from customers (e.g., service quality penalty amounts, accrued

1 customer shared earnings credits), are not reflected in the rates described by Ms. Lloyd.

2 In setting the actual rates for the period after the Rate Freeze, these adjustments to  
3 revenues would need to be reflected. As mentioned above, however, the revenue level to  
4 be recovered under the proposed rates is lower by the amount of the annual credit to be  
5 provided to the Navy pursuant to Docket No. 3551.

6  
7 **VI. NEXT STEPS**

8 Q. Does the Company propose that the Commission approve new distribution rates to go  
9 into effect January 1, 2005, on the basis of the Company's Cost Study filed today?

10 A. Today's filing is required under Section 23 of the Settlement. If new distribution rates to  
11 go into effect January 1, 2005, are to be revenue neutral, the distribution rates set forth in  
12 today's filing represent a reasonable set of distribution rates that should be approved by  
13 the Commission. However, the Company acknowledges that this filing is subject to  
14 review by Commission and evidentiary challenges by any party, and it anticipates that  
15 there will be a full review and consideration of these rates prior to any implementation.

16  
17 More importantly, however, the Company is working on developing a potential  
18 comprehensive settlement that would address a variety of issues, including future  
19 distribution rates. The Company believes that a new comprehensive settlement could  
20 produce significant immediate, as well as long-term, benefits. These benefits could  
21 include a proposal for new distribution rates to go into effect before January 1, 2005,  
22 which would supercede the revenue neutral rates proposed in this filing.

1

2     **VI.     CONCLUSION**

3     Q.     Does this conclude your testimony?

4     A.     Yes, it does.

Testimony of  
Jeanne A. Lloyd

THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

**DIRECT TESTIMONY**

**OF**

**Jeanne A. Lloyd**

THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

Table of Contents

I.	<u>Introduction and Qualifications</u> .....	1
II.	<u>Purpose of Testimony</u> .....	2
III.	<u>Allocated Cost of Service Study</u> .....	3
IV.	<u>Rate Design</u> .....	9
V.	<u>Typical Bill Analysis</u> .....	27
VI.	<u>Tariffs and Cover Sheets</u> .....	28
VII.	<u>Adjustment Provisions</u> .....	28
VIII.	<u>Conclusion</u> .....	29

**I. INTRODUCTION AND QUALIFICATIONS**

Q. Please state your full name and business address.

A. Jeanne A. Lloyd, 55 Bearfoot Road, Northborough, Massachusetts 01532.

Q. Please state your position.

A. I am a Principal Financial Analyst in the Distribution Regulatory Services Department of National Grid USA Service Company, Inc. The Distribution Regulatory Services Department provides rate related support to The Narragansett Electric Company (“Narragansett” or “Company”).

Q. Please describe your educational background and training.

A. In 1980, I graduated from Bradley University in Peoria, Illinois with a Bachelor’s Degree in English. In December 1982, I received a Master of Arts Degree in Economics from Northern Illinois University in De Kalb, Illinois.

Q. Please describe your professional experience?

A. I was employed by EUA Service Corporation (“EUA”) in December 1990 as an Analyst in the Rate Department. I was promoted to Senior Rate Analyst on January 1, 1993. My responsibilities included the study, analysis and design of the retail electric service rates, rate riders and special contracts for the EUA retail companies. I assumed my present position after the merger of New England Electric System and Eastern Utilities Associates in April 2000. Prior to my employment at EUA, I was on the staff of the Missouri Public Service Commission in Jefferson City, Missouri in the position of



1 research economist. My responsibilities included presenting both written and oral  
2 testimony before the Missouri Commission in the areas of cost of service and rate design  
3 for electric and natural gas rate proceedings.  
4

5 Q. Have you previously testified before the Rhode Island Public Utilities Commission  
6 (“Commission”)?

7 A. Yes.  
8

9 **II. PURPOSE OF TESTIMONY**

10 Q. What is the purpose of your testimony?

11 A. My testimony supports one of the filing requirements of the Third Amended Stipulation  
12 in Settlement (“Settlement”) dated March 14, 2000 in R.I.P.U.C. Docket No. 2930 and  
13 approved by the Commission. The Settlement provides for the merger of Narragansett  
14 and EUA’s two retail companies, Blackstone Valley Electric Company (“Blackstone”)  
15 and Newport Electric Corporation (“Newport”) and the consolidation of the rates of all  
16 three companies. As explained by Mr. Gavilondo in his testimony, Section 23 of the  
17 Settlement requires that by June 1, 2004, if the Company has not made a filing to change  
18 rates for January 1, 2005, the Company must make a revenue neutral filing of a fully  
19 allocated cost of service study and propose new distribution rates for all classes to take  
20 effect on January 1, 2005.  
21

1 The purpose of my testimony is to present Narragansett's revenue neutral fully allocated  
2 cost of service study and describe the determination and design of Narragansett's  
3 proposed distribution rates.  
4

5 Q. How is your testimony organized?

6 A. My testimony begins with a description of the methodology used in the allocated cost of  
7 service study, in which the Company's current level of distribution rate recovery is to be  
8 distributed to individual rate classes for recovery through the proposed distribution rates.  
9 In the next section, the structure of the Company's current distribution rates is reviewed  
10 and the proposed structure and rates are presented. My testimony then describes the  
11 impact of the proposed distribution rate changes on customers using typical bill  
12 comparisons. The final section of my testimony proposes some revisions to two of the  
13 Company's Adjustment Provisions – the Transition Charge Adjustment Provision and the  
14 Transmission Service Cost Adjustment Provision.  
15

16 Q. Please summarize the Company's proposal in this case.

17 A. The proposed distribution rates are based on a fully allocated, revenue neutral cost of  
18 service study and are designed to produce equal class rates of return, with the exception  
19 of A-60 (a discount rate for low income residential customers). In addition, the Company  
20 is proposing changes to the existing distribution rates designed to consolidate certain rate  
21 classes and simplify the rate calculations.  
22

23 **III. ALLOCATED COST OF SERVICE STUDY**

1 Q. Please describe the purpose of an allocated cost of service study.

2 A. As discussed by Mr. Gavilondo, a fully allocated cost of service study provides a basis  
3 for assigning costs to each rate class. Each rate class for retail delivery service should  
4 have distribution rates that are designed to reflect closely the allocated cost to serve that  
5 rate class. In addition to being influenced by the cost allocation study, distribution rates  
6 should reflect Narragansett's rate structure goals, which are: efficiency, simplicity,  
7 continuity, fairness and earnings stability. These goals are defined as follows:

- 8 1. Efficiency – Efficiency means that the rate structure should reflect the cost of  
9 providing service and should provide an accurate basis for consumers' decisions  
10 about how to best fulfill their needs. Thus, efficiency in rate structure means that  
11 a rate is cost-based and reflects the cost to society of the resources consumed to  
12 produce that particular service.
- 13 2. Simplicity – Simplicity means that a rate structure should be easily understood,  
14 enabling consumers to make appropriate decisions about their usage.
- 15 3. Continuity – Continuity means that rate structure changes should be made in a  
16 predictable and gradual manner which will allow consumers reasonable time to  
17 adjust their consumption patterns in response to changes in rate structure.
- 18 4. Fairness – Fairness means that the rate structure for each class of customers  
19 should be related to the cost of serving that class so that cross subsidies are  
20 minimized.
- 21 5. Earnings Stability – Earnings stability means that the amount a company earns  
22 from its rates should remain relatively stable over a reasonable period of time and  
23 range of consumption.

24  
25 Revenue Neutral Allocated Cost of Service Study

26 Q. Please describe the Allocated Cost of Service Study ("Cost Study") submitted in this  
27 filing.

1 A. Traditionally, an allocated cost of service study is employed to distribute the Company's  
2 revenue requirement among rate classes in general rate case filings. Because this filing is  
3 required to be revenue neutral, the total revenue requirement to be distributed is equal to  
4 the current level of distribution rate recovery. The Cost Study provides the methodology  
5 by which the current level of distribution rate recovery is to be redistributed to each rate  
6 class on the basis of the relative cost to serve each class. The Cost Study is provided in  
7 Schedule JAL-1 and is designed to be revenue neutral.

8  
9 Q. What test year is being used for Narragansett's Cost Study?

10 A. The Cost Study is based on Narragansett's historical normalized revenues and expenses  
11 for the 12 months ending December 2003.

12  
13 Q. What does it mean that the Cost Study is revenue neutral?

14 A. A revenue neutral Cost Study is one in which the total distribution revenue requirement,  
15 or cost to serve, on a total company basis during the test year is the same as the  
16 distribution revenue generated during the test year. That is, the proposed distribution  
17 rates resulting from a revenue neutral rate redesign are designed to recover no more and  
18 no less revenue than that generated from current rates. However, specific underlying cost  
19 items are allocated to rate classes following certain allocation assumptions that may cause  
20 individual rate classes to experience an increase or a decrease compared to their current  
21 distribution rates in order to arrive at their new class-specific revenue requirement.

22  
23 Q. What is the source of the underlying costs in Narragansett's Cost Study?

1 A. The source of the total costs to be allocated by the Cost Study is the Company's actual  
2 intrastate costs and return for calendar year 2003, as shown on Workpaper 1(c). The  
3 basic principle followed in an allocated cost of service study is that the allocation of the  
4 intrastate rate base, consisting primarily of net plant investment, and expenses to each  
5 rate class, should be based on the degree to which such rate base or expenses are utilized  
6 by each rate class or the extent to which each rate class causes the Company to incur the  
7 rate base or expense.

8  
9 Functionalization Study

10 Q. What is the first step in developing a Cost Study?

11 A. After the total Company cost to serve, or revenue requirement, is determined, the  
12 components of this cost to serve must be functionalized. As part of Narragansett's Cost  
13 Study, a separate study is performed that functionalizes, or separates, the Company's  
14 intrastate rate base and expenses into five main functional categories: power supply,  
15 transmission, distribution, customer and street lighting. Distribution-related costs are  
16 further functionalized among primary distribution, step down transformation, and  
17 secondary distribution. Any expense which can be specifically identified with one of  
18 these functional categories is considered a direct cost and is functionalized on the basis of  
19 its identity. Those costs which cannot be identified with a specific function (e.g.  
20 Administrative and General expense) are functionalized and/or allocated in proportion to  
21 related direct or indirect costs. Functionalizing costs allows for ability to better allocate  
22 the costs to rate classes.

1 Q. Did Narragansett perform a Functionalization Study?

2 A. Yes it did. It is contained in Workpaper 1(a) and is an integral component to the Cost  
3 Study.

4

5 Allocator Study

6 Q. What does the Company do after the revenue requirement components are  
7 functionalized?

8 A. After all costs are functionalized, they are allocated to the various rate classes on the  
9 basis of the respective class's cost responsibility for that function. Ultimately, the  
10 determination of this cost responsibility becomes the basis for the derivation and use of  
11 allocation factors.

12

13 Q. What allocation factors have been used in the Cost Study?

14 A. Narragansett's functionalized costs were allocated to each rate class based upon the cost  
15 responsibility assigned to that function. Pages 19 and 20 of the Cost Study provided in  
16 Schedule JAL-1 list the allocators used for each component of costs. The methodology  
17 followed in the Cost Study is to determine the most appropriate basis which underlies the  
18 Company's incurring the cost. Although there may be more than one means for  
19 determining the basis of the Company's cost and therefore, arguably, more than one way  
20 to allocate costs, the Cost Study should make use of the most appropriate means for  
21 which data is available. These bases become the allocators which are reflected in the  
22 Cost Study.

23

1 As noted above, Narragansett's direct distribution expenses are functionalized into five  
2 categories: primary distribution, step-down transformation, secondary distribution,  
3 customer and streetlighting. The three capacity-related functions of primary distribution,  
4 step-down transformation, and secondary distribution are then allocated to the rate classes  
5 served by these facilities on the basis of each individual rate class's contribution to the  
6 residential class's or commercial and industrial class's 12 monthly class peaks occurring  
7 during on-peak hours. The Company uses this allocator because distribution system  
8 investment typically is based on serving the peak load on the system. The customer and  
9 streetlighting-related functions of distribution expense are allocated using one of three  
10 allocation factors. Those costs relating to meter investment are allocated on the basis of  
11 weighted meter cost [investment?] by rate class. Accounts specific to streetlighting are  
12 directly assigned to the streetlighting class. Other customer-related expenses not directly  
13 attributable to meter investment or specific streetlighting accounts are allocated to each  
14 rate class by the number of metered customers within the class.

15  
16 Most of Narragansett's customer-related functions of Customer Accounts Expense and  
17 Customer Service and Information Expense are allocated generally by one of two  
18 customer allocation factors. These factors are based on either the number of bills  
19 rendered or the number of metered customers served within each rate class. However,  
20 the Company is proposing two additional allocators in this filing to better reflect cost and  
21 its ultimate responsibility. These are: 1) meter reading expense which is allocated using  
22 actual time spent reading meters in each rate class; and 2) the cost of uncollectible

1 accounts which is allocated based on the revenue associated with uncollectible bills in  
2 each class.

3  
4 Q. Does the Cost Study include any other allocations or adjustments?

5 A. Yes. The Cost Study includes an adjustment to the revenue requirement of each rate  
6 class to compensate for the discount provided under Narragansett's Low Income  
7 Residential Rate A-60. Customers eligible for Rate A-60 receive a discount from the  
8 standard residential Rate A-16 distribution and customer charges. The total designed  
9 discounts provided under Rate A-60 are allocated to all the remaining rate classes based  
10 on the proportion of the total revenue requirement applicable to each rate class. Finally,  
11 the amount for customer deposits (a credit to rate base and an expense for interest paid) is  
12 allocated based on actual deposits collected from each rate class.

13  
14 The Cost Study does not include separate categories for rate classes X-01, R-02 and M-1  
15 due to the limited number of customers receiving service on those rate schedules. The  
16 revenue requirement for these classes is set at the present revenue level. The revenue  
17 generated from these rate classes is reflected as a credit to the revenue requirement of  
18 other rate classes as shown on Line (6) of Page 2 of the Cost Study.

19  
20 **IV. RATE DESIGN**

21 Q. Please summarize the Company's proposed distribution rate structure in conjunction with  
22 the requirement to implement new rates effective January 1, 2005.



1 A. The Company's proposed distribution rate structure for rates effective January 1, 2005  
2 includes the following:

3 1. Consolidate the current twenty-six rate classes into twelve rate classes. Currently, the  
4 Company has five residential rates, eighteen general service rates and three  
5 streetlighting rates. The Company's proposal would reduce that number to two  
6 residential rate classes, eight general service rate classes, including two Backup  
7 Service rates, and two streetlighting rate classes. Schedule JAL-2 shows the proposed  
8 mapping of present rate classes to proposed rate classes.

9 2. Withdraw the following tariffs:

- 10 a) Residential Storage Heating Rate E-30;
- 11 b) Limited Service – All Electric Living Rate T-06;
- 12 c) Residential Water Heater Control Rate A-18;
- 13 d) Residential Time-of-Use Rate A-32;
- 14 e) Storage Cooling Rate E-40;
- 15 f) 69 kV Rate N-01;
- 16 g) High Voltage Rate H-72;
- 17 h) Small C&I Backup Service Rate B-06;
- 18 i) General C&I Backup Service Rate B-02;
- 19 j) High Voltage Backup Service Rate B-72; and
- 20 k) Auxiliary Service Provision.

21 3. Transition the Limited Traffic Signal Rate R-02 to the Small C&I Rate C-06 over a  
22 five-year period.

23 4. Redesign the Low Income Rate A-60 to include an inclining block kWh charge to  
24 encourage more efficient energy usage.

25 5. Redesign the Company's general service rates to:

- 26 o increase demand charges and correspondingly reduce energy charges to
- 27 reflect the nature of distribution system costs;
- 28 o increase power factor billing threshold to 90%; and
- 29 o simplify the billing demand calculation.

30 6. Redesign the Backup Service rates B-32 and B-62.

1  
2 The Company is proposing the consolidation and elimination of rate classes, as well as  
3 redefining billing structures, in order to simplify its distribution rates for its customers,  
4 simplify administration and billing of all its rates and charges, and to reflect the changing  
5 needs and benefits provided from older rate classes that have outlived their usefulness.  
6 These proposals as well as the specific design for each rate class are discussed in more  
7 detail below.

8  
9 Residential Rates

10 Q. Please describe Narragansett's current residential rates.

11 A. Narragansett currently has five residential rates – Rates A-16, A-18, A-32, A-60 and E-  
12 30. In addition, approximately 190 residential customers also take service on Rate T-06.

13  
14 Service under the Basic Residential Rate A-16 is available for service to residential  
15 customers in individual dwellings, farms and churches.

16  
17 The Low Income Rate A-60 provides a discount from the Residential Service Rate A-16  
18 for customers receiving Supplemental Security Income from the Social Security  
19 Administration, or who are eligible for the low-income home energy assistance program  
20 or one of the following from the appropriate Rhode Island agencies: Medicaid, Food  
21 Stamps, General Public Assistance or the Family Independence Program.

1 The Water Heater Control Rate A-18 is applicable to customers with electric water  
2 heating who are willing to have a control device placed on their water heaters. The rate  
3 has been closed to new customers since January 1, 1998. Participating customers receive  
4 a credit of \$0.00661 per kWh for the first 750 kWhs used per month. During 2002 and  
5 2003, meters were installed on each customer's service to enable automated meter  
6 reading and the water heater control device was removed from all but approximately  
7 4,100 customers who are participating in the Company's Home Energy Management  
8 Program ("HEM"), an energy efficiency program. Although the controls have been  
9 removed, the Company has continued to pay credits to customers served on Rate A-18 in  
10 accordance with the currently effective tariff.

11  
12 The Time-of-Use Rate A-32 is mandatory for all customers exceeding 30,000 kWh per  
13 year and optional to customers with usage exceeding 6,000 kWh per year. Although  
14 designated as a time-of-use rate, the time differentiated charges were eliminated in the  
15 Company's Rate Unbundling Filing, R.I.P.U.C. Docket No. 2515 in July 1997. There are  
16 approximately 2,500 customers presently taking service on this rate.

17  
18 The Storage Heating Rate E-30 is an incentive rate which was designed specifically to  
19 encourage the installation of electric thermal storage (ETS) systems by subsidizing the  
20 incremental costs of these systems through the rate design. Currently, there are thirteen  
21 customers on this rate which was closed to new customers effective July 1, 1990.

1 The Limited All-Electric Service Rate T-06 is a rate for residential apartments, houses,  
2 motels, hospitals, nursing homes and schools whose sole source of energy is electricity.

3 The rate was closed for service to new customers effective May 1, 1984. There are  
4 approximately 190 residential customers taking service on Rate T-06 and approximately  
5 75 commercial customers.

6  
7 Q. Please describe Narragansett's approach to rate design for the residential rates for retail  
8 delivery service.

9 A. The Company is proposing to consolidate its existing five residential classes into two –  
10 Basic Residential Rate A-16 and Residential Low Income Rate A-60. Customers  
11 presently taking service on Rates A-18, A-32, E-30 and residential customers taking  
12 service on Rate T-06 will be transferred to Rate A-16.

13  
14 Q. Why is the Company proposing to consolidate the residential rate classes listed above?

15 A. The purpose behind consolidating the five residential rate classes to two not only lies  
16 with rate simplicity, but also on the applicability of rates. For example, Rate A-32, the  
17 time-of-use rate class, no longer contains time-of-use pricing. Therefore, there no longer  
18 appears to be a basis for continuing to offer this rate. Rate A-18, the controlled water  
19 heating rate, provides the same service as Rate A-16, and the benefits of controlled water  
20 heating, to the extent that the Company continues to control water heaters through its  
21 HEM program, are significantly less today than when the Company, through its affiliate  
22 New England Power Company, was in the generation business. Further, with the  
23 exception of customers participating in the HEM program, the Company no longer even

1 controls the water heaters of Rate A-18 customers. Therefore, transferring these  
2 customers to Rate A-16 and maintaining the controlled water heating credit applicable  
3 only to customers participating in the HEM program appears the more appropriate  
4 treatment.

5  
6 Q. Please describe the proposed design for Rate A-16.

7 A. The proposed rate design calculation for Rate A-16 is provided in Schedule JAL-6, Page  
8 1. Section 1 of Page 1, Columns (a) and (b) shows the billing units and present revenues,  
9 respectively, of the proposed combined rate class. Columns (c) and (d) show the  
10 proposed billing units and proposed charges as calculated in Section 2 of Page 1.  
11 Column (e) shows the proposed revenues. Columns (f) and (g) show the revenue change  
12 and the percentage of revenue change for each present rate class and for the proposed  
13 combined class.

14  
15 Section 2 shows the calculation of the proposed charges. The Company begins with a  
16 combined revenue requirement taken from the Cost Study for the group of rate classes  
17 identified above. The customer charge has been set at its current level of \$2.54, and is  
18 applicable to all customers except Low Income customers currently receiving service on  
19 Rate A-60. The Company is proposing a credit to Rate E-30 of 1.500¢ per kWh and the  
20 revenue reduction associated with the credit is approximately \$27,000 and is rolled into  
21 the revenue requirement for the class. The bill impacts of transferring these customers to  
22 Rate A-16, without the kWh credit, would be in excess of 25%; therefore, the Company  
23 is proposing this credit as a rider to the Rate A-16 tariff to minimize the impact to these

1 customers. The Company is proposing that the water heating credit of 0.661¢ per kWh  
2 for the first 750 kWhs delivered per month currently included in Rate A-18 be transferred  
3 to Rate A-16 and it be applicable only to the customers participating in the HEM  
4 program, as these customers have devices that make them subject to their water heaters  
5 being controlled by the Company. The credit to be provided to these customers has been  
6 calculated based on the test year billing units associated with the 4,100 HEM customers  
7 and is included in the revenue requirement for the class in a manner similar to the credit  
8 for Rate E-30. Since the revenue requirement for Rate A-60 is reflected in that of Rate  
9 A-16, and the design of the Rate A-60 charges is dependent upon the design of the Rate  
10 A-16 charges, as described below, the revenue generated under the proposed Rate A-60  
11 charges is also reflected in the Rate A-16 rate design to arrive at the remaining revenue  
12 requirement to be recovered by the energy charge. The energy charge is designed to  
13 collect the remaining revenue requirement allocated to the new combined rate class,  
14 excluding Rate A-60, which is discussed below.

15  
16 Low Income Rate A-60

17 Q. What is the Company's proposed design for Rate A-60?

18 A. The Company is proposing to continue to provide discounted distribution charges to  
19 customers receiving service under this rate class. The present Rate A-60 charges provide  
20 a discount of approximately 50% from Rate A-16 and the proposed charges will maintain  
21 that same discount level. The estimated, ongoing discount calculated from the proposed  
22 charges is approximately \$3.5 million, and represents a discount of approximately 50%  
23 off the proposed Rate A-16 distribution charges.

1  
2 The proposed Rate A-60 charges have been redesigned to encourage more efficient  
3 energy consumption. The customer charge is set at \$0, as in the current rate. However,  
4 in a change from the current rate structure, the Company is not proposing a discounted  
5 rate for all kWhs delivered. Rather, the charge for the first 500 kWhs delivered per  
6 month (“initial block”) reflects the entire discount and is based on the rate for the kWhs  
7 delivered in excess of the first 500 kWhs delivered per month (“tail block”). The  
8 Company has chosen the first 500 kWhs as the initial block as 500 kWhs represents the  
9 average of monthly kWh deliveries for customers on Rate A-60. The energy charge for  
10 the initial block, 1.797¢ per kWh, is calculated as 50% of the charge for the tail block, or  
11 3.595¢ per kWh, which is the same as the Rate A-16 kWh charge. The zonal charges  
12 applicable to former Blackstone and Newport customers contained in the present Rate A-  
13 60 is eliminated in this design. Schedule JAL-6, page 2 shows the calculation of the  
14 proposed Rate A-60 charges.

15  
16 Section 2 calculates the Rate A-60 class subsidy based on the proposed charges for Rate  
17 A-16 and Rate A-60. Of the total estimated subsidy of \$3.5 million, approximately \$1.2  
18 million is included in the allocated cost of service study and allocated to all other  
19 customers as shown on page 2 of Schedule JAL-1. The Company is treating the  
20 remaining subsidy pursuant to Section 20 of the Settlement. Section 20 provided for the  
21 eligibility provision of the low income rate to be expanded to include customers who are  
22 eligible for assistance through the state’s LIHEAP program. The incremental cost of the  
23 expansion is to be tracked annually and recovered from all customers through a fully

1 reconciling uniform per kWh adjustment factor. Approximately \$2.3 million of the total  
2 \$3.5 million subsidy calculated on Page 2 of Schedule JAL-6 is attributable to those  
3 customers eligible to receive LIHEAP and who became eligible for Rate A-60 as a result  
4 of the expansion of the rate pursuant to the Settlement. The recovery of this incremental  
5 subsidy amount (\$2.3 million) is not reflected in the proposed distribution charges, but  
6 would be reflected in any rates actually implemented for January 1, 2005. The remaining  
7 \$1.2 million, therefore, is associated with the all other customers taking service on Rate  
8 A-60 should be recovered from all rate classes through the base distribution charges.

9  
10 General Service Rates

11 Q. Please describe Narragansett's current general service rate classes.

12 A. Narragansett currently has eighteen general service rate classes. Several of these rate  
13 classes have been closed to new customers for several years and the original justification  
14 for some of these rates has long since ended. As described below, Narragansett proposes  
15 to eliminate some of its current rate classes and consolidate customers on to a smaller  
16 number of up-to-date rate classes.

17  
18 Summary of General Service Rate Classes

19 Small C&I Rate C-06 is an energy rate available for small commercial and industrial  
20 customers whose demand does not exceed 10 kW.

21  
22 General C&I Rate G-02 is a demand based rate available for general service customers  
23 with average demands greater than 10 kW, but less than 200 kW.



1  
2 The 200 kW Demand Rate G-32 is mandatory for customers with average demands  
3 exceeding 200 kW and voluntary for customers below 200 kW.  
4

5 The 3000 kW Demand Rate G-62 is mandatory for customers with average demands  
6 exceeding 3,000 kW and voluntary for customers below that level.  
7

8 Limited Medium Secondary Voltage C&I Rate G-22 is closed to new customers and is  
9 limited to customers of Blackstone and Newport that had been served under those  
10 companies' medium general service Rate G-2 tariffs. Rate G-22 was implemented as one  
11 of the rate design provisions of the Settlement as a way to limit the bill impacts to those  
12 customers who would have been negatively impacted by immediately transferring to one  
13 of Narragansett's general service rates.  
14

15 Storage Cooling Rate E-40 was originally designed as a marginally priced, conservation  
16 and load management rate for customers who have installed a full storage air  
17 conditioning system designed so that no operation of the chiller or compressor will be  
18 required for a period of six consecutive hours between the hours of 9 a.m. and 6 p.m.  
19 during the months of June through September. There are presently 15 customers taking  
20 service on this rate. Usage billed under the provisions of Rate E-40 is separately metered  
21 and the customer's primary service usage is billed under one of the Company's general  
22 service rates.  
23

1 Business Space Heating Rate V-02 is available to commercial customers with electric  
2 space heating and has been closed to new customers since May 1, 1984. As with Rate E-  
3 40, usage billed under this rate is separately metered from the customer's primary service  
4 usage.

5  
6 Limited Traffic Signal Rate R-02 is available to the State or any city or town for the  
7 operation of traffic signals and has been closed to new customers since May 10, 1992.

8  
9 Limited All-Electric Service Rate T-06 is a rate for residential apartments, houses,  
10 motels, hospitals, nursing homes and schools whose sole source of energy is electricity.  
11 The rate was closed for service to new customers effective May 1, 1984. There are  
12 approximately 75 commercial customers taking service on this rate.

13  
14 Electric Propulsion Rate X-01 is applicable to any customer taking service for traction  
15 power at voltages of 69kV or greater. Only one customer is presently served on Rate X-  
16 01.

17  
18 The 69kV Rate N-01 is available to customers taking service at a voltage level of 69 kV  
19 or greater and is mandatory for the United States Navy ("Navy"). Pursuant to the  
20 Commission's order in R.I.P.U.C. Docket No. 3551, the Navy would be transferred to  
21 Rate G-62 effective January 1, 2005. Once the Navy has transferred to Rate G-62, there  
22 will be no customers taking service on Rate N-01.  
23

1 Station Power Delivery and Reliability Rate M-1 is available to merchant generators for  
2 station power service. There are three customers taking service on this rate.

3  
4 High Voltage Rate H-72 was originally developed in connection with a proposal to  
5 service the single customer now taking service under Electric Propulsion Rate X-01. The  
6 rate applies to customers with demands of 200 kW or greater who take delivery service at  
7 69 kV or greater. There is no customer receiving service on this rate.

8  
9 Small C&I Backup Service Rate B-06 is available to customers who receive all or part of  
10 their requirements from non-emergency generation units who would otherwise be served  
11 on Rate C-06. There is no customer receiving service on this rate.

12  
13 General C&I Backup Service Rate B-02 is available to customers who receive all or part  
14 of their requirements from non-emergency generation units who would otherwise be  
15 served on Rate G-02. There is no customer receiving service on this rate.

16  
17 The 200kW Demand Rate B-32 is available to customers who receive all or part of their  
18 requirements from non-emergency generation units who would otherwise be served on  
19 Rate G-32. There is no customer receiving service on this rate.

20  
21 High Voltage Backup Service Rate B-72 is available to customers who receive all or part  
22 of their requirements from non-emergency generation units who would otherwise be  
23 served on Rate H-72. There is no customer receiving service on this rate.

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The 3,000 kW Demand Rate B-62 is available to customers who receive all or part of their requirements from non-emergency generation units who would otherwise be served on Rate G-62. There are two customers taking service on this rate.

In addition, the Company presently has an Auxiliary Service Provision applicable to customers who generate all or part of their own requirements from generation units installed prior to April 1, 1998. Service under the Auxiliary Service Provision is “grandfathered” through the end of the Rate Freeze Period pursuant to Section 5(b) of the Settlement.

- Q. What is the Company’s proposal for the structure of the general service rate classes?
- A. The Company is proposing to consolidate its existing general service rate classes into six classes: four general service classes – Small C&I Rate C-06, General C&I Rate G-02, 200 kW Demand Rate G-32 and 3,000 kW Demand Rate G-62, and two backup service rate classes – C&I Backup Service Rate B-32 and 3,000 kW Demand Backup Service Rate B-62. In addition, Rate X-01 and Rate M-1 will be retained.

Narragansett is proposing to withdraw Rates G-22, V-02, T-06, E-40, H-72, N-01, B-02, B-06 and B-72. Customers on Rate G-22 will be transferred to either Rate G-02 or Rate G-32 depending on their usage characteristics. Customers taking service on Rate V-02 and Rate E-40 will be transferred to the customer’s primary service rate (the rate class under which the customer receives retail delivery service for the rest of its electric

1 delivery needs). Commercial customers taking service on Rate T-06 will be transferred  
2 to Rate C-06.

3  
4 No customer will be affected by the withdrawal of Rates H-72, B-02, B-06 or B-72 since  
5 no customer is presently receiving service on any of these rates. Pursuant to Docket No.  
6 3551, the Navy will be transferred to Rate G-62, leaving no customer on Rate N-01.

7  
8 Narragansett has examined the movement of customers receiving service under the  
9 Limited Traffic Signal Rate R-02 onto the Small C&I Rate C-06. The Company has  
10 estimated that the bill impact to Rate R-02 customers from the proposed Rate C-06  
11 charges would be in excess of 30%. Thus, Narragansett proposes to keep these rate  
12 classes separate at this time. However, the Company is proposing to transition, or phase-  
13 in, over a five-year period the charges to customers on Rate R-02 to result in those under  
14 Rate C-06. Specifically, the Company proposes to implement a monthly unmetered  
15 charge for Rate R-02 designed to increase each year through 2009 and to increase the  
16 Rate R-02 kWh charge by 0.547¢ per kWh each year. The kWh charge for Rate C-06  
17 will decrease by approximately 0.007¢ per kWh for each year to reflect the additional  
18 revenue designed to be received by Rate R-02 customers. The calculation of the phased-  
19 in charges is in Schedule JAL-6, page 4.

20  
21 The Company is proposing no changes to existing Electric Propulsion Rate X-01 and  
22 Station Power Delivery and Reliability Rate M-1.

1 Q. Please describe the proposed distribution rate designs for the general services rates.

2 A. The calculation of the general service distribution rates is shown in Schedule JAL-6,  
3 pages 3 through 7 and is described below.  
4

5 Small C&I Rate C-06

6 The Small C&I Rate C-06 monthly customer charge remains at its current level of \$5.73.

7 The revenue requirement for Rate C-06 includes the revenue requirement for Rate T-06  
8 for commercial customers and a proportionate share of the revenue requirement for Rate  
9 E-40 and Rate V-02, as shown on pages 8 and 9 of Schedule JAL-6. The total allocated  
10 revenue requirement is reduced by the revenue generated from the customer charge, and  
11 the remaining revenue requirement is divided by the test year kWh deliveries to arrive at  
12 the proposed distribution energy charge.  
13

14 General C&I Rate G-02

15 For General C&I Rate G-02, the Company proposes to increase the distribution demand  
16 charge by 25% from its present level of \$2.91 per kW to \$3.63 per kW. The revenue  
17 requirement for Rate G-02 includes a proportionate share of the revenue requirement for  
18 Rate E-40, Rate V-02, and Rate G-22 as shown on pages 8, 9 and 10 of Schedule JAL-6.  
19 The total allocated revenue requirement is reduced by the revenue generated from the  
20 customer charge and proposed distribution demand charge, and the remaining revenue  
21 requirement is divided by the test year kWh deliveries to arrive at the proposed  
22 distribution energy charge.  
23

1        200 kW Demand Rate G-32 and 3,000kW Demand Rate G-62

2        For 200 kW Demand Rate G-32, the Company proposes to keep the customer charge at  
3        its current level and increase the distribution demand charge from its present level of  
4        \$1.56 per kW to \$3.12 per kW. The revenue requirement for Rate G-32 includes a  
5        proportionate share of the revenue requirement for Rate E-40 and Rate G-22, as shown  
6        on pages 9 and 10 of Schedule JAL-6. The total allocated revenue requirement is  
7        reduced by the revenue generated from the customer charge and proposed distribution  
8        demand charge, and the remaining revenue requirement is divided by the test year kWh  
9        deliveries to arrive at the proposed distribution energy charge.

10  
11       The revenue requirement for the 3,000 kW Demand Rate G-62 consists of the allocated  
12       revenue requirement from the Cost Study for Rate G-62 and Rate N-01. The Company is  
13       proposing to keep the monthly customer charge at its present level of \$17,118.72 and  
14       collect the entire revenue requirement through the proposed distribution demand charge  
15       by increasing the distribution demand charge from its present level of \$0.75 per kW to  
16       \$2.48 per kW. As a result of this proposed design, the distribution energy charge,  
17       including the Settlement credit of 0.038¢ per kWh, is proposed to be 0.000¢ per kWh.

18  
19    Q.    Are there any other proposed changes to the general service rate classes?

20    A.    Yes. The Company is proposing to simplify the billing demand provisions for Rate G-32  
21       and Rate G-62. The Company has removed all references to shoulder hours, and peak  
22       hours now include those hours presently defined as the shoulder period. In addition, the  
23       Company is proposing to simplify the definition of billing demand as: a) the greatest 15-

1 minute peak occurring in the peak period as measured in kW, b) 90% of the greatest 15-  
2 minute peak occurring during the peak period as measured in kVA, or c) 75% of the  
3 greatest demand as determined in a) and b) over the preceding eleven months.  
4

5 For customers on Rate G-02, Rate G-32 and Rate G-62 with average annual demands that  
6 exceed 75 kW, the Company meters both kW and kVA. Today, the customers' billing  
7 demand is based on the greater of the fifteen-minute peak as measured in kW or 80% of  
8 the fifteen-minute peak as measure in kilovolt-amperes. The Company is proposing to  
9 increase the kVA threshold to 90% of the greatest fifteen-minute peak. For purposes of  
10 designing the distribution demand charges, an adjustment to the class billing demand has  
11 been made to reflect an increase in billing units as a result of this change.  
12

### 13 Backup Service Rates

14 Q. Please describe the Company's proposed Backup Service rates.

15 A. The Company is proposing two Backup Service rates. Rate B-62 is applicable to  
16 customers who generate all or part of their energy requirements and who would otherwise  
17 take service on the Company's Rate G-62 3000 kW Demand Rate. Rate B-32 is  
18 proposed to be applicable to all other back-up service customers.  
19

20 The backup charges will consist of a monthly customer charge, identical to the customer  
21 charges of the companion general service rate classes, Rate G-32 and Rate G-62, and a  
22 contract demand charge. The contract demand charge is designed to collect all of the  
23 distribution charges attributable to the provision of backup service. The customer's



1 contract demand will be set at the capacity of the customer's generating unit, but will not  
2 exceed the connected load of the customer's facility. For Rate G-32, the contract demand  
3 charge is proposed at \$4.90 per kW and for Rate G-62, the charge is proposed at \$2.48  
4 per kW.

5  
6 As today, supplemental usage will be billed at the applicable general service rates.

7  
8 Streetlighting

9 Q. How does Narragansett propose to treat the streetlighting rates in this proceeding?

10 A. The Company is proposing to maintain Limited Private Lighting Rate S-10 and General  
11 Streetlighting Rate S-14. The Company is proposing to withdraw Rate S-12, which is  
12 currently closed to new customers, and move existing customers receiving retail delivery  
13 service under this rate to Rate S-14. The Company has added transferred certain charges  
14 from Rate S-12 to Rate S-14 for poles and luminaires offered under Rate S-12 that are  
15 currently not offered on Rate S-14.

16  
17 In addition, the Company is proposing to reduce the zonal credits applicable to former  
18 Blackstone and Newport customers which were implemented as part of the Settlement.

19  
20 Q. How has the Company designed the proposed Rate S-10 and Rate S-14 charges?

21 A. The Company is proposing to set the luminaire and pole charges at the current their  
22 levels. The proposed distribution kWh charge and the proposed zonal credits have been  
23 reduced to the level necessary to collect the remaining streetlighting class revenue

1 requirement as determined in the Cost Study. The proposed streetlighting rate design is  
2 in Schedule JAL-6, pages 12 through 14.

3  
4 **V. TYPICAL BILL ANALYSIS**

5 Q. Has the Company prepared a typical bill analysis showing the bill impacts of the  
6 proposed distribution rate changes?

7 A. Schedule JAL-7 contains the Company's typical bill analysis showing the impact of the  
8 proposed distribution rates for each of the Company's current rate classes. The bill  
9 impacts for each customer presently on Rate E-40 and Rate V-02 have been calculated  
10 based on each customer's combined general service usage and supplemental rate usage,  
11 since usage under these rate classes is separately metered. The Company has also  
12 included the bill impacts on the existing B-62 customers as a result of the proposed  
13 backup service rates.

14  
15 Although there are indications that some customers on certain rate classes may see  
16 significant bill impacts as a result of the proposed distribution rates, it is important to note  
17 two factors in evaluating these impacts. The Company believes it is important to note  
18 that the size of the dollar impact of some of the increases in which there indicates a  
19 significant percentage increase, in fact, may be low. Also, some of these impacts are the  
20 result of the elimination of zonal credits that the Settlement did not dictate continuation.  
21 Regardless, should the Commission have concern over these specific impacts, the  
22 Company would consider additional phase-in rates for these customers as with Rate R-  
23 02.

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**VI. TARIFFS AND COVER SHEETS**

Q. Has the Company included a copy of the proposed tariffs and cover sheets?

A. The proposed tariffs and cover sheets are included as Schedule JAL-8. Schedule JAL-9 contains the same tariffs and cover sheets, but marked to show changes from those tariffs and cover sheets currently in effect.

**VII. ADJUSTMENT PROVISIONS**

Q. Does Narragansett propose to make any changes to its adjustment provisions?

A. Yes. The Company is proposing to make changes to the Non-Bypassable Transition Charge Adjustment Provision and the Transmission Service Cost Adjustment Provision. The revisions to these adjustment provisions are to eliminate references to provisions implemented during the Rate Freeze period pursuant to the Settlement that are no longer applicable.

Non-Bypassable Transition Charge Adjustment Provision

The changes to the Non-Bypassable Transition Charge Adjustment Provision are shown in Schedule JAL-10, which contains both clean and marked to show changes versions of the proposed provision. The current provision was designed to calculate separate transition charges through the end of the Rate Freeze period for the pre-merger Narragansett, Blackstone and Newport. The provision has been revised to eliminate the description of the calculation of charges applicable to the former retail companies.

1        Transmission Service Cost Adjustment Provision

2        The Transmission Service Cost Adjustment Provision has been revised to eliminate  
3        references to zonal charges relating to the former EUA companies. Schedule JAL-11  
4        contains both clean and marked to show changes versions of the proposed provision.

5  
6        **VIII. CONCLUSION**

7        Q.       Does this complete your testimony?

8        A.       Yes, it does.

Exhibits of  
Jeanne A. Lloyd

THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

## Exhibits

### Table of Contents

Schedule JAL-1	Allocated Cost of Service Study
Schedule JAL-2	Proposed Rate Mapping
Schedule JAL-3	Summary of Rate Changes
Schedule JAL-4	Test Year Normalized Revenues
Schedule JAL-5	Summary of Proposed Rate Class Revenues
Schedule JAL-6	Calculation of Proposed Rates
Schedule JAL-7	Typical Bill Impacts
Schedule JAL-8	Proposed Tariffs and Cover Sheets
Schedule JAL-9	Proposed Tariffs and Cover Sheets – Marked to Show Changes
Schedule JAL-10	Proposed Non-Bypassable Transition Charge Adjustment Provision
Schedule JAL-11	Proposed Transmission Service Cost Adjustment Provision
Workpaper 1(a)	Functionalization of Test Year Rate Base and Expenses
Workpaper 1(b)	Allocation Factors
Workpaper 1(c)	Annual Earnings Report for Calendar Year 2003
Workpaper 2	Test Year Revenue Proof



THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

**Schedule JAL-1**  
**Allocated Cost of Service**



The Narragansett Electric Company  
Allocated Cost of Service Study  
Equalized Return on Rate Base

The Narragansett Electric Company  
R.I.P.U.C. Docket No. \_\_\_\_  
Schedule JAL-1  
Page 1 of 20

Equalized Return on Rate Base	Total (1)	A-16 (2)	A-18 (3)	A-32 (4)	C-06 (5)	G-02 (6)	G-22 (7)	G-32 (8)	G-62 (9)	T(Res) (10)	T(C&I) (11)	V (12)	E30 (13)	E40 (14)	Street Light (15)
(1) Allocated Rate Base	\$516,985,936	\$232,091,848	\$18,722,387	\$5,533,819	\$45,384,608	\$70,640,710	\$29,592,864	\$74,713,793	\$13,960,927	\$521,780	\$428,724	\$503,185	\$82,867	\$258,058	\$24,550,364
(2) Equal Return on Rate Base	10.61%	10.61%	10.61%	10.61%	10.61%	10.61%	10.61%	10.61%	10.61%	10.61%	10.61%	10.61%	10.61%	10.61%	10.61%
(3) Equalized Net Operating Income	\$54,829,416	\$24,614,713	\$1,985,620	\$586,894	\$4,813,306	\$7,491,865	\$3,138,498	\$7,923,840	\$1,480,639	\$55,338	\$45,469	\$53,366	\$8,789	\$27,369	\$2,603,711
(4) Plus: Allocated Total Expenses	\$148,195,984	\$72,421,916	\$5,576,525	\$1,632,836	\$14,225,313	\$18,435,978	\$7,680,580	\$18,329,635	\$3,455,657	\$151,597	\$116,319	\$144,662	\$21,793	\$65,845	\$5,937,330
(5) Plus: Equalized Federal Income Tax	\$19,272,000	\$8,045,944	\$760,150	\$162,071	\$2,128,990	\$2,241,260	\$698,338	\$3,816,429	\$510,235	\$18,456	\$21,292	\$18,876	\$2,107	\$16,718	\$831,132
(6) Total Revenue Requirement Before Adjs.	\$222,297,400	\$105,082,573	\$8,322,295	\$2,381,801	\$21,167,608	\$28,169,104	\$11,517,417	\$30,069,904	\$5,446,531	\$225,392	\$183,079	\$216,904	\$32,689	\$109,931	\$9,372,174
(7) Present Rev	\$222,297,400	\$103,358,811	\$8,499,325	\$2,256,004	\$22,411,342	\$27,053,691	\$10,365,711	\$33,003,920	\$5,417,527	\$222,563	\$198,186	\$217,241	\$29,896	\$130,125	\$9,133,059
(8) Revenue Shift	\$0	\$1,723,762	(\$177,030)	\$125,797	(\$1,243,733)	\$1,115,413	\$1,151,706	(\$2,934,016)	\$29,004	\$2,829	(\$15,107)	(\$337)	\$2,793	(\$20,194)	\$239,115
(9) Percent Revenue Shift	0.00%	1.67%	-2.08%	5.58%	-5.55%	4.12%	11.11%	-8.89%	0.54%	1.27%	-7.62%	-0.16%	9.34%	-15.52%	2.62%
(10) Allocation Other Revs and Low Income Subsidy	(\$0)	(\$894,683)	\$27,294	\$7,811	\$232,044	\$92,385	\$37,773	\$446,257	\$17,863	\$739	\$600	\$711	\$107	\$361	\$30,737
(11) Revenue Requirement with Allocation of Other Revs & Low Income Subsidy	\$222,297,400	\$104,187,890	\$8,349,589	\$2,389,612	\$21,399,652	\$28,261,488	\$11,555,190	\$30,516,160	\$5,464,394	\$226,131	\$183,680	\$217,615	\$32,796	\$110,292	\$9,402,911
(12) Revenue Change	\$0	\$829,079	(\$149,736)	\$133,608	(\$1,011,690)	\$1,207,798	\$1,189,479	(\$2,487,759)	\$46,866	\$3,568	(\$14,506)	\$374	\$2,900	(\$19,834)	\$269,852
(13) Normalized kWh Sales	7,694,091,648	2,605,280,812	256,521,436	81,400,283	508,685,648	1,051,839,603	382,207,580	2,091,273,081	614,107,000	9,104,037	8,511,171	6,449,297	1,815,905	7,662,854	69,232,941
(14) \$/kWh Revenue Requirement	\$0.02889	\$0.03999	\$0.03255	\$0.02936	\$0.04207	\$0.02687	\$0.03023	\$0.01459	\$0.00890	\$0.02484	\$0.02158	\$0.03374	\$0.01806	\$0.01439	\$0.13582
(15) \$/kWh Present Revenue	\$0.02889	\$0.03967	\$0.03313	\$0.02771	\$0.04406	\$0.02572	\$0.02712	\$0.01578	\$0.00882	\$0.02445	\$0.02329	\$0.03368	\$0.01646	\$0.01698	\$0.13192
(16) % Change	0.00%	0.80%	-1.76%	5.92%	-4.51%	4.46%	11.48%	-7.54%	0.87%	1.60%	-7.32%	0.17%	9.70%	-15.24%	2.95%

Sources:

- |   |                                 |
|---|---------------------------------|
| Line (1) Summary of Rate Base on Page 5 of 20 | (9) Line (8) ÷ Line (7)         |
| (2) Calculation of Return on Page 3 of 20     | (10) Page 2 of 20               |
| (3) = Line (1) x (2)                          | (11) Line (6) + Line (10)       |
| (4) Operating Expenses on Page 4 of 20        | (12) Line (7) - Line (11)       |
| (5) Page 3 of 20                              | (13) Schedule JAL-4, Column (i) |
| (6) Line (3) + Line (4) + Line (5)            | (14) Line (11) ÷ Line (13)      |
| (7) Schedule JAL-4, Column (m)                | (15) Line (7) ÷ Line (13)       |
| (8) Line (7) - Line (6)                       | (16) Line (14) ÷ Line (15) - 1  |

The Narragansett Electric Company  
Allocated Cost of Service Study  
Low Income Subsidy

The Narragansett Electric Company  
R.I.P.U.C. Docket No. \_\_\_\_  
Schedule JAL-1  
Page 2 of 20

Low Income Subsidy	Total (1)	A-16 (2)	A-18 (3)	A-32 (4)	C-06 (5)	G-02 (6)	G-22 (7)	G-32 (8)	G-62 (9)	T(Res) (10)	T(C&I) (11)	V (12)	E30 (13)	E40 (14)	Street Light (15)
(1) A-60 Discount - Non-LIHEAP	(\$1,239,316)	(\$1,239,316)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(2) Reallocation of Non-LIHEAP A-60 Discount	\$1,239,316	\$585,839	\$46,397	\$13,279	\$118,010	\$157,044	\$64,210	\$167,641	\$30,365	\$1,257	\$1,021	\$1,209	\$182	\$613	\$52,250
(3) Estimaed Average Annual Rev Increase - R-02	\$122,924				\$122,924										
(4) Allocation of R-02 Rev Increase	(\$122,924)	(\$58,108)	(\$4,602)	(\$1,317)	(\$11,705)	(\$15,577)	(\$6,369)	(\$16,628)	(\$3,012)	(\$125)	(\$101)	(\$120)	(\$18)	(\$61)	(\$5,183)
(5) Test Year Normalized Revenus - M-1, X-01, R-02	\$387,336				\$39,698			\$347,638							
(6) Allocation of Other Revenues	(\$387,336)	(\$183,098)	(\$14,501)	(\$4,150)	(\$36,883)	(\$49,082)	(\$20,068)	(\$52,394)	(\$9,490)	(\$393)	(\$319)	(\$378)	(\$57)	(\$192)	(\$16,330)
(7) Subtotal	\$0	(\$894,683)	\$27,294	\$7,811	\$232,044	\$92,385	\$37,773	\$446,257	\$17,863	\$739	\$600	\$711	\$107	\$361	\$30,737

Sources:

- Line (1) Schedule JAL-6, Page 2
- (2) Allocated Based on Total Revenue Requirement
- (3) Schedule JAL-6, Page 4
- (4) Allocated Based on Total Revenue Requirement
- (5) Schedule JAL-4, Page 1 of 1, Column (m) for Rates M-1, X-01 and R-02
- (6) Allocated Based on Total Revenue Requirement
- (7) Line (1) + Line (2) + Line (3) + Line (4) + Line (5) + Line (6)

The Narragansett Electric Company  
Allocated Cost of Service Study  
Calculation of Return on Rate Base

The Narragansett Electric Company  
R.I.P.U.C. Docket No. \_\_\_\_  
Schedule JAL- 1  
Page 3 of 20

Return on Rate Base (at Present Rates)	Total (1)	A-16 (2)	A-18 (3)	A-32 (4)	C-06 (5)	G-02 (6)	G-22 (7)	G-32 (8)	G-62 (9)	T(Res) (10)	T(C&I) (11)	V (12)	E30 (13)	E40 (14)	Street Light (15)
(1) Total Present Revenue	\$222,297,400	\$103,358,811	\$8,499,325	\$2,256,004	\$22,411,342	\$27,053,691	\$10,365,711	\$33,003,920	\$5,417,527	\$222,563	\$198,186	\$217,241	\$29,896	\$130,125	\$9,133,059
(2) Less: Operating Expenses	\$148,195,984	\$72,421,916	\$5,576,525	\$1,632,836	\$14,225,313	\$18,435,978	\$7,680,580	\$18,329,635	\$3,455,657	\$151,597	\$116,319	\$144,662	\$21,793	\$65,845	\$5,937,330
(3) Operating Income before Federal Income Tax (FIT)	\$74,101,416	\$30,936,895	\$2,922,800	\$623,168	\$8,186,029	\$8,617,712	\$2,685,130	\$14,674,285	\$1,961,871	\$70,965	\$81,867	\$72,579	\$8,103	\$64,281	\$3,195,729
(4) Less: Allocated Federal Income Tax FIT = 35.00%	\$19,272,000	\$8,045,944	\$760,150	\$162,071	\$2,128,990	\$2,241,260	\$698,338	\$3,816,429	\$510,235	\$18,456	\$21,292	\$18,876	\$2,107	\$16,718	\$831,132
(5) Net Operating Income	\$54,829,416	\$22,890,951	\$2,162,650	\$461,097	\$6,057,039	\$6,376,452	\$1,986,792	\$10,857,856	\$1,451,635	\$52,509	\$60,576	\$53,703	\$5,996	\$47,563	\$2,364,596
(6) Total Rate Base	\$516,985,936	\$232,091,848	\$18,722,387	\$5,533,819	\$45,384,608	\$70,640,710	\$29,592,864	\$74,713,793	\$13,960,927	\$521,780	\$428,724	\$503,185	\$82,867	\$258,058	\$24,550,364
(7) Computed Return	10.61%	9.86%	11.55%	8.33%	13.35%	9.03%	6.71%	14.53%	10.40%	10.06%	14.13%	10.67%	7.24%	18.43%	9.63%

Sources:

Line (1) Schedule JAL-4, Column (m)  
(2) Operating Expenses on Page 4 of 20  
(3) Line (1) - Line (2)

(4) Workpaper 1(c), Page 2 of 6, Line 32  
(5) Line (3) - Line (4)  
(6) Summary of Rate Base on Page 5 of 20  
(7) Line (6) ÷ Line (7)

The Narragansett Electric Company  
Allocated Cost of Service Study  
Summary of Expenses

The Narragansett Electric Company  
R.I.P.U.C. Docket No. \_\_\_\_  
Schedule JAL-1  
Page 4 of 20

	Total (1)	A-16 (2)	A-18 (3)	A-32 (4)	C-06 (5)	G-02 (6)	G-22 (7)	G-32 (8)	G-62 (9)	T(Res) (10)	T(C&I) (11)	V (12)	E30 (13)	E40 (14)	Street Light (15)
<b>Operating Expenses</b>															
(1) Power Supply Expenses	\$93,924	\$31,803	\$3,131	\$994	\$6,210	\$12,840	\$4,666	\$25,529	\$7,497	\$111	\$104	\$79	\$22	\$94	\$845
(2) Transmission O & M	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(3) Distribution O & M	\$36,395,279	\$16,400,733	\$1,307,645	\$404,246	\$3,388,455	\$5,037,894	\$2,104,115	\$5,037,748	\$994,446	\$40,469	\$30,991	\$37,441	\$5,851	\$18,241	\$1,587,004
(4) Customer Accounts	\$15,194,020	\$11,411,503	\$736,602	\$192,699	\$2,016,420	\$494,362	\$197,058	\$98,106	\$1,489	\$9,648	\$5,492	\$13,074	\$991	\$1,577	\$14,998
(5) Customer Service and Information	\$1,157,120	\$960,409	\$58,904	\$6,152	\$104,020	\$16,362	\$6,631	\$2,335	\$34	\$475	\$183	\$559	\$32	\$42	\$983
(6) Administrative & General (A&G)	\$46,459,641	\$21,759,019	\$1,712,347	\$508,377	\$4,296,505	\$6,084,118	\$2,542,980	\$6,208,631	\$1,181,458	\$47,752	\$37,609	\$45,797	\$7,172	\$22,062	\$2,005,815
(7) Depreciation	\$33,001,000	\$14,703,301	\$1,186,801	\$350,849	\$2,933,919	\$4,584,876	\$1,913,833	\$4,747,813	\$867,196	\$34,912	\$28,038	\$32,141	\$5,254	\$16,237	\$1,595,831
(8) Taxes Other than Income	\$20,939,000	\$9,474,040	\$758,174	\$224,736	\$1,891,604	\$2,862,857	\$1,194,884	\$2,938,320	\$542,655	\$22,139	\$17,588	\$20,507	\$3,298	\$10,168	\$978,030
(9) Deferred Tax Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(10) Deferred ITC Expense	(\$717,000)	(\$319,453)	(\$25,785)	(\$7,623)	(\$63,744)	(\$99,614)	(\$41,581)	(\$103,154)	(\$18,841)	(\$759)	(\$609)	(\$698)	(\$114)	(\$353)	(\$34,672)
(11) Other Expenses	\$1,413,000	\$577,435	\$46,577	\$13,846	\$155,823	\$226,594	\$86,559	\$203,841	\$34,728	\$2,644	\$1,684	\$1,349	\$206	\$642	\$61,074
(12) Other Operating Revenues	(\$5,740,000)	(\$2,576,873)	(\$207,871)	(\$61,441)	(\$503,897)	(\$784,311)	(\$328,564)	(\$829,534)	(\$155,006)	(\$5,793)	(\$4,760)	(\$5,587)	(\$920)	(\$2,865)	(\$272,578)
<b>Total Operating Expenses</b>	\$148,195,984	\$72,421,916	\$5,576,525	\$1,632,836	\$14,225,313	\$18,435,978	\$7,680,580	\$18,329,635	\$3,455,657	\$151,597	\$116,319	\$144,662	\$21,793	\$65,845	\$5,937,330

**Sources:**

Line (1) Page 6 of 20	(4) Page 8 of 20	(7) Page 10 of 20	(10) Page 13 of 20
(2) Page 6 of 20	(5) Page 8 of 20	(8) Page 11 of 20	(11) Page 14 of 20
(3) Page 7 of 20	(6) Page 9 of 20	(9) Page 12 of 20	(12) Page 14 of 20

The Narragansett Electric Company  
Allocated Cost of Service Study  
Summary of Rate Base

The Narragansett Electric Company  
R.I.P.U.C. Docket No. \_\_\_\_  
Schedule JAL-1  
Page 5 of 20

Summary of Rate Base	Total (1)	A-16 (2)	A-18 (3)	A-32 (4)	C-06 (5)	G-02 (6)	G-22 (7)	G-32 (8)	G-62 (9)	T(Res) (10)	T(C&I) (11)	V (12)	E30 (13)	E40 (14)	Street Light (15)
(1) Transmission Plant	\$35,320,209	\$13,573,171	\$1,223,444	\$390,104	\$2,629,076	\$4,820,649	\$1,897,856	\$8,127,044	\$2,257,404	\$38,676	\$36,043	\$34,973	\$6,803	\$27,265	\$257,701
(2) Distribution Plant	\$859,326,682	\$382,993,532	\$30,877,953	\$9,091,480	\$76,486,432	\$120,123,434	\$50,258,648	\$121,626,455	\$21,358,469	\$907,946	\$726,897	\$834,779	\$136,113	\$414,797	\$43,489,746
(3) General Plant	\$49,821,418	\$24,232,718	\$1,864,111	\$559,510	\$4,851,440	\$6,272,252	\$2,616,229	\$6,125,974	\$1,202,743	\$52,528	\$39,487	\$50,117	\$7,438	\$22,629	\$1,924,243
<b>Total Gross Utility Plant</b>	\$944,468,309	\$420,799,421	\$33,965,508	\$10,041,094	\$83,966,947	\$131,216,335	\$54,772,733	\$135,879,473	\$24,818,617	\$999,150	\$802,426	\$919,869	\$150,354	\$464,691	\$45,671,690
(4) Less: Depreciation Reserve	(\$351,569,373)	(\$156,444,841)	(\$12,636,144)	(\$3,734,400)	(\$31,216,336)	(\$48,913,613)	(\$20,419,021)	(\$50,659,702)	(\$9,236,508)	(\$371,930)	(\$298,936)	(\$342,238)	(\$56,008)	(\$173,078)	(\$17,066,618)
<b>Total Net Utility Plant</b>	\$592,898,936	\$264,354,580	\$21,329,363	\$6,306,694	\$52,750,612	\$82,302,722	\$34,353,713	\$85,219,771	\$15,582,109	\$627,220	\$503,490	\$577,631	\$94,346	\$291,613	\$28,605,073
<b>Allocator</b>	100.00%	44.59%	3.60%	1.06%	8.90%	13.88%	5.79%	14.37%	2.63%	0.11%	0.08%	0.10%	0.02%	0.05%	4.82%
(5) Plus: Working Capital	\$16,635,000	\$7,811,086	\$627,712	\$184,988	\$1,509,465	\$1,877,747	\$721,131	\$2,804,274	\$742,377	\$17,289	\$14,300	\$15,142	\$2,841	\$10,701	\$295,948
(6) Less: Deferred Income Tax Reserve	(\$99,182,000)	(\$44,189,654)	(\$3,566,840)	(\$1,054,451)	(\$8,817,670)	(\$13,779,497)	(\$5,751,881)	(\$14,269,190)	(\$2,606,292)	(\$104,924)	(\$84,266)	(\$96,599)	(\$15,789)	(\$48,799)	(\$4,796,148)
(7) Plus: Loss on Reacquired Debt	\$9,103,000	\$4,058,735	\$327,478	\$96,829	\$809,900	\$1,263,625	\$527,445	\$1,308,411	\$239,238	\$9,630	\$7,730	\$8,869	\$1,449	\$4,477	\$439,184
Total Net Utility Plant	100.00%	44.59%	3.60%	1.06%	8.90%	13.88%	5.79%	14.37%	2.63%	0.11%	0.08%	0.10%	0.02%	0.05%	4.82%
(8) Less: Uninsured Claims	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Net Utility Plant	100.00%	44.59%	3.60%	1.06%	8.90%	13.88%	5.79%	14.37%	2.63%	0.11%	0.08%	0.10%	0.02%	0.05%	4.82%
(9) Plus: Prepayments	\$133,000	\$59,300	\$4,785	\$1,415	\$11,833	\$18,462	\$7,706	\$19,117	\$3,495	\$141	\$113	\$130	\$21	\$65	\$6,417
Total Net Utility Plant	100.00%	44.59%	3.60%	1.06%	8.90%	13.88%	5.79%	14.37%	2.63%	0.11%	0.08%	0.10%	0.02%	0.05%	4.82%
(10) Less: Customer Deposits	(\$2,602,000)	(\$2,198)	(\$112)	(\$1,656)	(\$879,532)	(\$1,042,348)	(\$265,251)	(\$368,589)	\$0	(\$27,576)	(\$12,643)	(\$1,987)	\$0	\$0	(\$110)
Customer Deposits	100.00%	0.08%	0.00%	0.06%	33.80%	40.06%	10.19%	14.17%	0.00%	1.06%	0.49%	0.08%	0.00%	0.00%	0.00%
(11) Less: Contribution in Aid of Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Net Utility Plant	100.00%	44.59%	3.60%	1.06%	8.90%	13.88%	5.79%	14.37%	2.63%	0.11%	0.08%	0.10%	0.02%	0.05%	4.82%
(12) Less: Unearned Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Net Utility Plant	100.00%	44.59%	3.60%	1.06%	8.90%	13.88%	5.79%	14.37%	2.63%	0.11%	0.08%	0.10%	0.02%	0.05%	4.82%
<b>Total Rate Base</b>	\$516,985,936	\$232,091,848	\$18,722,387	\$5,533,819	\$45,384,608	\$70,640,710	\$29,592,864	\$74,713,793	\$13,960,927	\$521,780	\$428,724	\$503,185	\$82,867	\$258,058	\$24,550,364
<b>Allocator</b>	100.00%	44.89%	3.62%	1.07%	8.78%	13.66%	5.72%	14.45%	2.70%	0.10%	0.08%	0.10%	0.02%	0.05%	4.75%

Sources:

Line (1) Page 15 of 20  
(2) Page 15 of 20

(3) Page 15 of 20  
(4) Page 16 of 20

(5) Page 17 of 20  
(6) Page 18 of 20

Lines (7) through (12)

Workpaper 1(c), Page 3 of 6

The Narragansett Electric Company  
Allocated Cost of Service Study  
Power Supply and Transmission O&M Expenses

The Narragansett Electric Company  
R.I.P.U.C. Docket No. \_\_\_\_  
Schedule JAL-1  
Page 6 of 20

Power Supply and Transmission O&M	Total (1)	A-16 (2)	A-18 (3)	A-32 (4)	C-06 (5)	G-02 (6)	G-22 (7)	G-32 (8)	G-62 (9)	T(Res) (10)	T(C&I) (11)	V (12)	E30 (13)	E40 (14)	Street Light (15)
(1) Power Supply Expenses															
555 Purchased Power															
- Demand Related	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Coincident Peak	100.00%	38.43%	3.46%	1.10%	7.44%	13.65%	5.37%	23.01%	6.39%	0.11%	0.10%	0.10%	0.02%	0.08%	0.73%
- Energy Related	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MWh Sales	100.00%	33.86%	3.33%	1.06%	6.61%	13.67%	4.97%	27.18%	7.98%	0.12%	0.11%	0.08%	0.02%	0.10%	0.90%
Total Account 555	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
557 Other Power Supply	\$93,924	\$31,803	\$3,131	\$994	\$6,210	\$12,840	\$4,666	\$25,529	\$7,497	\$111	\$104	\$79	\$22	\$94	\$845
MWh Sales	100.00%	33.86%	3.33%	1.06%	6.61%	13.67%	4.97%	27.18%	7.98%	0.12%	0.11%	0.08%	0.02%	0.10%	0.90%
<b>Total Power Supply Expense</b>	<b>\$93,924</b>	<b>\$31,803</b>	<b>\$3,131</b>	<b>\$994</b>	<b>\$6,210</b>	<b>\$12,840</b>	<b>\$4,666</b>	<b>\$25,529</b>	<b>\$7,497</b>	<b>\$111</b>	<b>\$104</b>	<b>\$79</b>	<b>\$22</b>	<b>\$94</b>	<b>\$845</b>
(2) Transmission O & M Expenses															
Total Transmission Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Coincident Peak	100.00%	38.43%	3.46%	1.10%	7.44%	13.65%	5.37%	23.01%	6.39%	0.11%	0.10%	0.10%	0.02%	0.08%	0.73%
<b>Total Transmission O&amp;M Expense</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Sources:

- Line (1) Functionalization of Rate Base & Expense Study in Workpaper 1(a), Page 13, Column (7)  
Line (2) Functionalization of Rate Base & Expense Study in Workpaper 1(a), Page 13, Column (7)

The Narragansett Electric Company  
Allocated Cost of Service Study  
Distribution Operation and Maintenance Expense

	Total (1)	A-16 (2)	A-18 (3)	A-32 (4)	C-06 (5)	G-02 (6)	G-22 (7)	G-32 (8)	G-62 (9)	T(Res) (10)	T(C&I) (11)	V (12)	E30 (13)	E40 (14)	Street Light (15)
<b>(3) Distribution O&amp;M Expense</b>															
<u>Operations:</u>															
Total Primary Related	\$10,683,208	\$4,138,592	\$351,583	\$108,324	\$865,832	\$1,532,240	\$637,545	\$2,490,269	\$521,154	\$10,678	\$9,107	\$9,989	\$1,714	\$5,106	\$1,076
Class Maximum @ Primary	100.00%	38.74%	3.29%	1.01%	8.10%	14.34%	5.97%	23.31%	4.88%	0.10%	0.09%	0.09%	0.02%	0.05%	0.01%
Total Step-Down Related	\$955,670	\$423,058	\$35,940	\$11,073	\$88,508	\$154,419	\$65,172	\$173,652	\$0	\$1,092	\$931	\$1,021	\$175	\$522	\$110
Class Maximum @ Step-Down	100.00%	44.27%	3.76%	1.16%	9.26%	16.16%	6.82%	18.17%	0.00%	0.11%	0.10%	0.11%	0.02%	0.05%	0.01%
Total Secondary Related	\$3,508,102	\$1,898,339	\$161,268	\$49,685	\$397,150	\$691,946	\$292,437	\$0	\$0	\$4,900	\$4,176	\$4,582	\$785	\$2,341	\$492
Class Maximum @ Secondary	100.00%	54.11%	4.60%	1.42%	11.32%	19.72%	8.34%	0.00%	0.00%	0.14%	0.12%	0.13%	0.02%	0.07%	0.01%
Total Distribution Operation Expense	\$15,146,980	\$6,459,988	\$548,791	\$169,082	\$1,351,489	\$2,378,605	\$995,154	\$2,663,920	\$521,154	\$16,670	\$14,213	\$15,593	\$2,674	\$7,969	\$1,678
<u>Maintenance</u>															
Total Primary Related	\$9,682,692	\$3,750,999	\$318,656	\$98,179	\$784,744	\$1,388,741	\$577,837	\$2,257,047	\$472,346	\$9,678	\$8,254	\$9,054	\$1,553	\$4,628	\$975
Class Maximum @ Primary	100.00%	38.74%	3.29%	1.01%	8.10%	14.34%	5.97%	23.31%	4.88%	0.10%	0.09%	0.09%	0.02%	0.05%	0.01%
Total Step-Down Related	\$288,228	\$127,593	\$10,839	\$3,340	\$26,694	\$46,572	\$19,656	\$52,373	\$0	\$329	\$281	\$308	\$53	\$157	\$33
Class Maximum @ Step-Down	100.00%	44.27%	3.76%	1.16%	9.26%	16.16%	6.82%	18.17%	0.00%	0.11%	0.10%	0.11%	0.02%	0.05%	0.01%
Total Secondary Related	\$4,502,710	\$2,436,551	\$206,991	\$63,772	\$509,749	\$888,125	\$375,348	\$0	\$0	\$6,289	\$5,359	\$5,882	\$1,008	\$3,005	\$632
Class Maximum @ Secondary	100.00%	54.11%	4.60%	1.42%	11.32%	19.72%	8.34%	0.00%	0.00%	0.14%	0.12%	0.13%	0.02%	0.07%	0.01%
Total Distribution Maintenance Expense	\$14,473,629	\$6,315,143	\$536,486	\$165,290	\$1,321,187	\$2,323,438	\$972,841	\$2,309,420	\$472,346	\$16,296	\$13,894	\$15,243	\$2,614	\$7,790	\$1,640
<u>Customer / Street Light Specific:</u>															
585 Street Light & Signal Operation	\$292,353	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$292,353
Street Light Specific	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
586 Meter Expense	\$3,334,777	\$2,251,319	\$138,079	\$49,657	\$488,249	\$245,379	\$99,452	\$47,464	\$697	\$5,427	\$2,086	\$4,706	\$409	\$1,854	\$0
Meter Investment	100.00%	67.51%	4.14%	1.49%	14.64%	7.36%	2.98%	1.42%	0.02%	0.16%	0.06%	0.14%	0.01%	0.06%	0.00%
596 Street Light & Signal Maintenance	\$975,323	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$975,323
Street Light Specific	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
587 Customer Installation Expense	\$621,155	\$516,320	\$31,667	\$3,307	\$55,532	\$8,796	\$3,565	\$1,255	\$18	\$255	\$98	\$300	\$17	\$23	\$0
Number of Metered Bills	100.00%	83.12%	5.10%	0.53%	8.94%	1.42%	0.57%	0.20%	0.00%	0.04%	0.02%	0.05%	0.00%	0.00%	0.00%
597 Meter Maintenance	\$199,238	\$134,506	\$8,250	\$2,967	\$29,171	\$14,660	\$5,942	\$2,836	\$42	\$324	\$125	\$281	\$24	\$111	\$0
Meter Investment	100.00%	67.51%	4.14%	1.49%	14.64%	7.36%	2.98%	1.42%	0.02%	0.16%	0.06%	0.14%	0.01%	0.06%	0.00%
Subtotal	\$5,422,846	\$2,902,145	\$177,996	\$55,931	\$572,952	\$268,835	\$108,958	\$51,556	\$757	\$6,006	\$2,308	\$5,287	\$451	\$1,987	\$1,267,676
Overheads	\$1,351,823	\$723,456	\$44,371	\$13,943	\$142,827	\$67,016	\$27,161	\$12,852	\$189	\$1,497	\$575	\$1,318	\$112	\$495	\$316,010
Subtotal Customer/St. Lt.	100.00%	53.52%	3.28%	1.03%	10.57%	4.96%	2.01%	0.95%	0.01%	0.11%	0.04%	0.10%	0.01%	0.04%	23.38%
Total Customer / Street Light Specific	\$6,774,669	\$3,625,601	\$222,367	\$69,873	\$715,779	\$335,851	\$136,120	\$64,408	\$946	\$7,503	\$2,884	\$6,605	\$563	\$2,483	\$1,583,686
<b>Total Distribution O&amp;M Expense</b>	\$36,395,279	\$16,400,733	\$1,307,645	\$404,246	\$3,388,455	\$5,037,894	\$2,104,115	\$5,037,748	\$994,446	\$40,469	\$30,991	\$37,441	\$5,851	\$18,241	\$1,587,004
<b>Allocator</b>	100.00%	45.06%	3.59%	1.11%	9.31%	13.84%	5.78%	13.84%	2.73%	0.11%	0.09%	0.10%	0.02%	0.05%	4.36%

Sources: Functionalization of Rate Base & Expense Study in Workpaper 1(a), Page 1

The Narragansett Electric Company  
Allocated Cost of Service Study  
Customer Operation & Maintenance Expense

	Total (1)	A-16 (2)	A-18 (3)	A-32 (4)	C-06 (5)	G-02 (6)	G-22 (7)	G-32 (8)	G-62 (9)	T(Res) (10)	T(C&I) (11)	V (12)	E30 (13)	E40 (14)	Street Light (15)
<b>(4) Customer Accounts Expense</b>															
901 Supervision	\$1,149,928	\$954,439	\$58,538	\$6,114	\$103,373	\$16,260	\$6,590	\$2,321	\$34	\$472	\$181	\$555	\$32	\$42	\$977
Number of Bills	100.00%	83.00%	5.09%	0.53%	8.99%	1.41%	0.57%	0.20%	0.00%	0.04%	0.02%	0.05%	0.00%	0.00%	0.08%
902 Meter Reading Expense	\$1,428,433	\$398,976	\$61,176	\$122,159	\$429,113	\$244,690	\$95,867	\$62,472	\$966	\$4,202	\$2,707	\$4,549	\$624	\$931	\$0
Meter Reading Time	100.00%	27.93%	4.28%	8.55%	30.04%	17.13%	6.71%	4.37%	0.07%	0.29%	0.19%	0.32%	0.04%	0.07%	0.00%
903 Customer Records & Collections	\$7,524,593	\$6,245,406	\$383,047	\$40,005	\$676,425	\$106,397	\$43,122	\$15,185	\$223	\$3,088	\$1,187	\$3,633	\$208	\$275	\$6,392
Number of Bills	100.00%	83.00%	5.09%	0.53%	8.99%	1.41%	0.57%	0.20%	0.00%	0.04%	0.02%	0.05%	0.00%	0.00%	0.08%
904 Uncollectibles	\$5,089,864	\$3,811,683	\$233,780	\$24,416	\$807,400	\$126,998	\$51,472	\$18,125	\$266	\$1,885	\$1,417	\$4,336	\$127	\$328	\$7,629
Uncollectible Bills	100.00%	74.89%	4.59%	0.48%	15.86%	2.50%	1.01%	0.36%	0.01%	0.04%	0.03%	0.09%	0.00%	0.01%	0.15%
905 Misc. Customer Accounts Expense	\$1,202	\$998	\$61	\$6	\$108	\$17	\$7	\$2	\$0	\$0	\$0	\$1	\$0	\$0	\$1
Number of Bills	100.00%	83.00%	5.09%	0.53%	8.99%	1.41%	0.57%	0.20%	0.00%	0.04%	0.02%	0.05%	0.00%	0.00%	0.08%
Total Customer Accounts Expense	\$15,194,020	\$11,411,503	\$736,602	\$192,699	\$2,016,420	\$494,362	\$197,058	\$98,106	\$1,489	\$9,648	\$5,492	\$13,074	\$991	\$1,577	\$14,998
<b>(5) Customer Service &amp; Information Expense</b>															
907 Supervision	\$587	\$487	\$30	\$3	\$53	\$8	\$3	\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Number of Bills	100.00%	83.00%	5.09%	0.53%	8.99%	1.41%	0.57%	0.20%	0.00%	0.04%	0.02%	0.05%	0.00%	0.00%	0.08%
908 Customer Assistance Expense	\$728,564	\$604,708	\$37,088	\$3,873	\$65,494	\$10,302	\$4,175	\$1,470	\$22	\$299	\$115	\$352	\$20	\$27	\$619
Number of Bills	100.00%	83.00%	5.09%	0.53%	8.99%	1.41%	0.57%	0.20%	0.00%	0.04%	0.02%	0.05%	0.00%	0.00%	0.08%
909 Information & Instruction Expense	\$363,188	\$301,446	\$18,488	\$1,931	\$32,649	\$5,135	\$2,081	\$733	\$11	\$149	\$57	\$175	\$10	\$13	\$308
Number of Bills	100.00%	83.00%	5.09%	0.53%	8.99%	1.41%	0.57%	0.20%	0.00%	0.04%	0.02%	0.05%	0.00%	0.00%	0.08%
910 Misc. Customer Service Expense	\$26,333	\$21,856	\$1,341	\$140	\$2,367	\$372	\$151	\$53	\$1	\$11	\$4	\$13	\$1	\$1	\$22
Number of Bills	100.00%	83.00%	5.09%	0.53%	8.99%	1.41%	0.57%	0.20%	0.00%	0.04%	0.02%	0.05%	0.00%	0.00%	0.08%
912 Demonstration & Selling Expense	\$38,448	\$31,912	\$1,957	\$204	\$3,456	\$544	\$220	\$78	\$1	\$16	\$6	\$19	\$1	\$1	\$33
Number of Bills	100.00%	83.00%	5.09%	0.53%	8.99%	1.41%	0.57%	0.20%	0.00%	0.04%	0.02%	0.05%	0.00%	0.00%	0.08%
Total Customer Service & Info. Exp.	\$1,157,120	\$960,409	\$58,904	\$6,152	\$104,020	\$16,362	\$6,631	\$2,335	\$34	\$475	\$183	\$559	\$32	\$42	\$983
<b>Total Customer O&amp;M Expense</b>	\$16,351,140	\$12,371,911	\$795,506	\$198,851	\$2,120,439	\$510,724	\$203,690	\$100,441	\$1,523	\$10,123	\$5,675	\$13,633	\$1,023	\$1,619	\$15,981
<b>Allocator</b>	100.00%	75.66%	4.87%	1.22%	12.97%	3.12%	1.25%	0.61%	0.01%	0.06%	0.03%	0.08%	0.01%	0.01%	0.10%

Sources: Functionalization of Rate Base & Expense Study in Workpaper 1(a), Page 13, Column (7)



The Narragansett Electric Company  
Allocated Cost of Service Study  
Allocation of A&G Expense

	Total	A-16	A-18	A-32	C-06	G-02	G-22	G-32	G-62	T(Res)	T(C&I)	V	E30	E40	Street Light
(6) A & G Expense	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Transmission	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Coincident Peak	100.00%	38.43%	3.46%	1.10%	7.44%	13.65%	5.37%	23.01%	6.39%	0.11%	0.10%	0.10%	0.02%	0.08%	0.73%
Distribution (Accts. 926 & 935)	\$15,835,518	\$7,135,928	\$568,954	\$175,887	\$1,474,310	\$2,191,978	\$915,496	\$2,191,915	\$432,682	\$17,608	\$13,484	\$16,290	\$2,546	\$7,937	\$690,503
Total Distribution O&M Expense	100.00%	45.06%	3.59%	1.11%	9.31%	13.84%	5.78%	13.84%	2.73%	0.11%	0.09%	0.10%	0.02%	0.05%	4.36%
Customer (Accts. 926 & 935)	\$2,095,614	\$1,585,623	\$101,955	\$25,485	\$271,762	\$65,456	\$26,106	\$12,873	\$195	\$1,297	\$727	\$1,747	\$131	\$207	\$2,048
Total Customer O&M Expense	100.00%	75.66%	4.87%	1.22%	12.97%	3.12%	1.25%	0.61%	0.01%	0.06%	0.03%	0.08%	0.01%	0.01%	0.10%
Other	\$28,528,509	\$13,037,467	\$1,041,438	\$307,005	\$2,550,432	\$3,826,683	\$1,601,378	\$4,003,844	\$748,581	\$28,847	\$23,397	\$27,760	\$4,495	\$13,918	\$1,313,264
Revenue Requirement less A&G	100.00%	45.70%	3.65%	1.08%	8.94%	13.41%	5.61%	14.03%	2.62%	0.10%	0.08%	0.10%	0.02%	0.05%	4.60%
<b>Total A &amp; G Expense</b>	<b>\$46,459,641</b>	<b>\$21,759,019</b>	<b>\$1,712,347</b>	<b>\$508,377</b>	<b>\$4,296,505</b>	<b>\$6,084,118</b>	<b>\$2,542,980</b>	<b>\$6,208,631</b>	<b>\$1,181,458</b>	<b>\$47,752</b>	<b>\$37,609</b>	<b>\$45,797</b>	<b>\$7,172</b>	<b>\$22,062</b>	<b>\$2,005,815</b>
<b>Allocator</b>	<b>100.00%</b>	<b>46.83%</b>	<b>3.69%</b>	<b>1.09%</b>	<b>9.25%</b>	<b>13.10%</b>	<b>5.47%</b>	<b>13.36%</b>	<b>2.54%</b>	<b>0.10%</b>	<b>0.08%</b>	<b>0.10%</b>	<b>0.02%</b>	<b>0.05%</b>	<b>4.32%</b>
<b>Total O&amp;M Expenses</b>	<b>\$99,299,984</b>	<b>\$50,563,466</b>	<b>\$3,818,629</b>	<b>\$1,112,468</b>	<b>\$9,811,609</b>	<b>\$11,645,576</b>	<b>\$4,855,450</b>	<b>\$11,372,349</b>	<b>\$2,184,924</b>	<b>\$98,455</b>	<b>\$74,379</b>	<b>\$96,950</b>	<b>\$14,069</b>	<b>\$42,016</b>	<b>\$3,609,645</b>
<b>Allocator</b>	<b>100.00%</b>	<b>50.92%</b>	<b>3.85%</b>	<b>1.12%</b>	<b>9.88%</b>	<b>11.73%</b>	<b>4.89%</b>	<b>11.45%</b>	<b>2.20%</b>	<b>0.10%</b>	<b>0.07%</b>	<b>0.10%</b>	<b>0.01%</b>	<b>0.04%</b>	<b>3.64%</b>

Sources: Functionalization of Rate Base & Expense Study in Workpaper 1(a), Page 3

The Narragansett Electric Company  
Allocated Cost of Service Study  
Depreciation Expense

The Narragansett Electric Company  
R.I.P.U.C. Docket No. \_\_\_\_  
Schedule JAL-1  
Page 10 of 20

	Total	A-16	A-18	A-32	C-06	G-02	G-22	G-32	G-62	T(Res)	T(C&I)	V	E30	E40	Street Light
<b>(7) Depreciation Expense</b>	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Transmission	\$1,234,136	\$474,265	\$42,749	\$13,631	\$91,863	\$168,440	\$66,314	\$283,970	\$78,877	\$1,351	\$1,259	\$1,222	\$238	\$953	\$9,004
Total Transmission Plant	100.00%	38.43%	3.46%	1.10%	7.44%	13.65%	5.37%	23.01%	6.39%	0.11%	0.10%	0.10%	0.02%	0.08%	0.73%
Distribution	\$30,026,036	\$13,382,312	\$1,078,917	\$317,669	\$2,672,539	\$4,197,275	\$1,756,105	\$4,249,793	\$746,294	\$31,725	\$25,399	\$29,168	\$4,756	\$14,494	\$1,519,591
Total Distribution Plant	100.00%	44.57%	3.59%	1.06%	8.90%	13.98%	5.85%	14.15%	2.49%	0.11%	0.08%	0.10%	0.02%	0.05%	5.06%
General	\$1,740,828	\$846,724	\$65,135	\$19,550	\$169,516	\$219,161	\$91,415	\$214,050	\$42,025	\$1,835	\$1,380	\$1,751	\$260	\$791	\$67,236
Total General Plant	100.00%	48.64%	3.74%	1.12%	9.74%	12.59%	5.25%	12.30%	2.41%	0.11%	0.08%	0.10%	0.01%	0.05%	3.86%
<b>Total Depreciation Expense</b>	<b>\$33,001,000</b>	<b>\$14,703,301</b>	<b>\$1,186,801</b>	<b>\$350,849</b>	<b>\$2,933,919</b>	<b>\$4,584,876</b>	<b>\$1,913,833</b>	<b>\$4,747,813</b>	<b>\$867,196</b>	<b>\$34,912</b>	<b>\$28,038</b>	<b>\$32,141</b>	<b>\$5,254</b>	<b>\$16,237</b>	<b>\$1,595,831</b>

Sources: Functionalization of Rate Base & Expense Study in Workpaper 1(a), Page 2

The Narragansett Electric Company  
Allocated Cost of Service Study  
Taxes Other Than Income

	Total (1)	A-16 (2)	A-18 (3)	A-32 (4)	C-06 (5)	G-02 (6)	G-22 (7)	G-32 (8)	G-62 (9)	T(Res) (10)	T(C&I) (11)	V (12)	E30 (13)	E40 (14)	Street Light (15)
(8) Taxes Other Than Income															
<u>Payroll Related</u>															
Transmission	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Coincident Peak	100.00%	38.43%	3.46%	1.10%	7.44%	13.65%	5.37%	23.01%	6.39%	0.11%	0.10%	0.10%	0.02%	0.08%	0.73%
Distribution	\$3,131,578	\$1,411,177	\$112,514	\$34,783	\$291,555	\$433,478	\$181,045	\$433,466	\$85,566	\$3,482	\$2,667	\$3,222	\$503	\$1,570	\$136,551
Total Distribution O&M Expense	100.00%	45.06%	3.59%	1.11%	9.31%	13.84%	5.78%	13.84%	2.73%	0.11%	0.09%	0.10%	0.02%	0.05%	4.36%
Customer	\$414,422	\$313,568	\$20,162	\$5,040	\$53,743	\$12,944	\$5,163	\$2,546	\$39	\$257	\$144	\$346	\$26	\$41	\$405
Total Customer O&M Expense	100.00%	75.66%	4.87%	1.22%	12.97%	3.12%	1.25%	0.61%	0.01%	0.06%	0.03%	0.08%	0.01%	0.01%	0.10%
Total Payroll Related	\$3,546,000	\$1,724,745	\$132,677	\$39,823	\$345,297	\$446,423	\$186,208	\$436,011	\$85,604	\$3,739	\$2,810	\$3,567	\$529	\$1,611	\$136,956
<u>Property Related</u>															
Transmission	\$650,445	\$249,959	\$22,531	\$7,184	\$48,416	\$88,775	\$34,950	\$149,665	\$41,572	\$712	\$664	\$644	\$125	\$502	\$4,746
Total Transmission Plant	100.00%	38.43%	3.46%	1.10%	7.44%	13.65%	5.37%	23.01%	6.39%	0.11%	0.10%	0.10%	0.02%	0.08%	0.73%
Distribution	\$15,825,061	\$7,053,076	\$568,638	\$167,426	\$1,408,548	\$2,212,151	\$925,546	\$2,239,831	\$393,330	\$16,720	\$13,386	\$15,373	\$2,507	\$7,639	\$800,892
Total Distribution Plant	100.00%	44.57%	3.59%	1.06%	8.90%	13.98%	5.85%	14.15%	2.49%	0.11%	0.08%	0.10%	0.02%	0.05%	5.06%
General	\$917,494	\$446,261	\$34,329	\$10,304	\$89,342	\$115,508	\$48,180	\$112,814	\$22,149	\$967	\$727	\$923	\$137	\$417	\$35,436
Total General Plant	100.00%	48.64%	3.74%	1.12%	9.74%	12.59%	5.25%	12.30%	2.41%	0.11%	0.08%	0.10%	0.01%	0.05%	3.86%
Total Property Related	\$17,393,000	\$7,749,296	\$625,497	\$184,913	\$1,546,306	\$2,416,434	\$1,008,676	\$2,502,309	\$457,051	\$18,400	\$14,777	\$16,940	\$2,769	\$8,558	\$841,074
<b>Total Taxes Other than Income</b>	\$20,939,000	\$9,474,040	\$758,174	\$224,736	\$1,891,604	\$2,862,857	\$1,194,884	\$2,938,320	\$542,655	\$22,139	\$17,588	\$20,507	\$3,298	\$10,168	\$978,030

The Narragansett Electric Company  
Allocated Cost of Service Study  
Deferred Income Tax Expense

	Total (1)	A-16 (2)	A-18 (3)	A-32 (4)	C-06 (5)	G-02 (6)	G-22 (7)	G-32 (8)	G-62 (9)	T(Res) (10)	T(C&I) (11)	V (12)	E30 (13)	E40 (14)	Street Light (15)
<b>(9) Deferred Income Tax Expense</b>															
Transmission	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Transmission Plant	100.00%	38.43%	3.46%	1.10%	7.44%	13.65%	5.37%	23.01%	6.39%	0.11%	0.10%	0.10%	0.02%	0.08%	0.73%
Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Distribution Plant	100.00%	44.57%	3.59%	1.06%	8.90%	13.98%	5.85%	14.15%	2.49%	0.11%	0.08%	0.10%	0.02%	0.05%	5.06%
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total General Plant	100.00%	48.64%	3.74%	1.12%	9.74%	12.59%	5.25%	12.30%	2.41%	0.11%	0.08%	0.10%	0.01%	0.05%	3.86%
<b>Total Deferred Income Tax Expense</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Sources: Functionalization of Rate Base & Expense Study in Workpaper 1(a), Page 5

The Narragansett Electric Company  
Allocated Cost of Service Study  
Deferred Investment Tax Credits

	Total (1)	A-16 (2)	A-18 (3)	A-32 (4)	C-06 (5)	G-02 (6)	G-22 (7)	G-32 (8)	G-62 (9)	T(Res) (10)	T(C&I) (11)	V (12)	E30 (13)	E40 (14)	Street Light (15)
<b>(10) Deferred ITC Expense</b>															
Transmission	(\$26,814)	(\$10,304)	(\$929)	(\$296)	(\$1,996)	(\$3,660)	(\$1,441)	(\$6,170)	(\$1,714)	(\$29)	(\$27)	(\$27)	(\$5)	(\$21)	(\$196)
Total Transmission Plant	100.00%	38.43%	3.46%	1.10%	7.44%	13.65%	5.37%	23.01%	6.39%	0.11%	0.10%	0.10%	0.02%	0.08%	0.73%
Distribution	(\$652,364)	(\$290,752)	(\$23,441)	(\$6,902)	(\$58,065)	(\$91,193)	(\$38,154)	(\$92,334)	(\$16,214)	(\$689)	(\$552)	(\$634)	(\$103)	(\$315)	(\$33,016)
Total Distribution Plant	100.00%	44.57%	3.59%	1.06%	8.90%	13.98%	5.85%	14.15%	2.49%	0.11%	0.08%	0.10%	0.02%	0.05%	5.06%
General	(\$37,822)	(\$18,396)	(\$1,415)	(\$425)	(\$3,683)	(\$4,762)	(\$1,986)	(\$4,651)	(\$913)	(\$40)	(\$30)	(\$38)	(\$6)	(\$17)	(\$1,461)
Total General Plant	100.00%	48.64%	3.74%	1.12%	9.74%	12.59%	5.25%	12.30%	2.41%	0.11%	0.08%	0.10%	0.01%	0.05%	3.86%
<b>Total Deferred ITC Expense</b>	(\$717,000)	(\$319,453)	(\$25,785)	(\$7,623)	(\$63,744)	(\$99,614)	(\$41,581)	(\$103,154)	(\$18,841)	(\$759)	(\$609)	(\$698)	(\$114)	(\$353)	(\$34,672)

Sources: Functionalization of Rate Base & Expense Study in Workpaper 1(a), Page 6

The Narragansett Electric Company  
Allocated Cost of Service Study  
Other Operating Expenses and Revenues  
and Adjustments to O&M Expenses

<b>(11) Other Operating Expense</b>	Total (1)	A-16 (2)	A-18 (3)	A-32 (4)	C-06 (5)	G-02 (6)	G-22 (7)	G-32 (8)	G-62 (9)	T(Res) (10)	T(C&I) (11)	V (12)	E30 (13)	E40 (14)	Street Light (15)
Interest on Customer Deposits	\$127,000	\$107	\$5	\$81	\$42,929	\$50,876	\$12,947	\$17,990	\$0	\$1,346	\$617	\$97	\$0	\$0	\$5
Customer Deposits	100.00%	0.08%	0.00%	0.06%	33.80%	40.06%	10.19%	14.17%	0.00%	1.06%	0.49%	0.08%	0.00%	0.00%	0.00%
Donations	\$677,000	\$303,927	\$24,517	\$7,247	\$59,432	\$92,505	\$38,752	\$97,839	\$18,282	\$683	\$561	\$659	\$109	\$338	\$32,149
Total Rate Base	100.00%	44.89%	3.62%	1.07%	8.78%	13.66%	5.72%	14.45%	2.70%	0.10%	0.08%	0.10%	0.02%	0.05%	4.75%
Amortization of Reacquired Debt	\$609,000	\$273,400	\$22,055	\$6,519	\$53,462	\$83,213	\$34,860	\$88,011	\$16,446	\$615	\$505	\$593	\$98	\$304	\$28,920
Total Rate Base	100.00%	44.89%	3.62%	1.07%	8.78%	13.66%	5.72%	14.45%	2.70%	0.10%	0.08%	0.10%	0.02%	0.05%	4.75%
<b>Total Other Operating Expense</b>	<b>\$1,413,000</b>	<b>\$577,435</b>	<b>\$46,577</b>	<b>\$13,846</b>	<b>\$155,823</b>	<b>\$226,594</b>	<b>\$86,559</b>	<b>\$203,841</b>	<b>\$34,728</b>	<b>\$2,644</b>	<b>\$1,684</b>	<b>\$1,349</b>	<b>\$206</b>	<b>\$642</b>	<b>\$61,074</b>

Sources: Workpaper 1(c), page 2 of 6

**(12) Other Operating Revenues:**

Other Operating Revenues	(\$5,740,000)	(\$2,576,873)	(\$207,871)	(\$61,441)	(\$503,897)	(\$784,311)	(\$328,564)	(\$829,534)	(\$155,006)	(\$5,793)	(\$4,760)	(\$5,587)	(\$920)	(\$2,865)	(\$272,578)
Total Rate Base	100.00%	44.89%	3.62%	1.07%	8.78%	13.66%	5.72%	14.45%	2.70%	0.10%	0.08%	0.10%	0.02%	0.05%	4.75%
<b>Total Other Operating Revenues</b>	<b>(\$5,740,000)</b>	<b>(\$2,576,873)</b>	<b>(\$207,871)</b>	<b>(\$61,441)</b>	<b>(\$503,897)</b>	<b>(\$784,311)</b>	<b>(\$328,564)</b>	<b>(\$829,534)</b>	<b>(\$155,006)</b>	<b>(\$5,793)</b>	<b>(\$4,760)</b>	<b>(\$5,587)</b>	<b>(\$920)</b>	<b>(\$2,865)</b>	<b>(\$272,578)</b>

Sources: Company General Ledger

The Narragansett Electric Company  
Allocated Cost of Service Study  
Electric Plant in Service

	Total (1)	A-16 (2)	A-18 (3)	A-32 (4)	C-06 (5)	G-02 (6)	G-22 (7)	G-32 (8)	G-62 (9)	T(Res) (10)	T(C&I) (11)	V (12)	E30 (13)	E40 (14)	Street Light (15)
<b>Electric Plant in Service</b>															
<b><u>(1) Transmission Plant:</u></b>															
Total Transmission Plant	\$35,320,209	\$13,573,171	\$1,223,444	\$390,104	\$2,629,076	\$4,820,649	\$1,897,856	\$8,127,044	\$2,257,404	\$38,676	\$36,043	\$34,973	\$6,803	\$27,265	\$257,701
Coincident Peak	100.00%	38.43%	3.46%	1.10%	7.44%	13.65%	5.37%	23.01%	6.39%	0.11%	0.10%	0.10%	0.02%	0.08%	0.73%
<b><u>(2) Distribution Plant:</u></b>															
Total Primary Distribution Plant	\$437,579,087	\$169,514,736	\$14,400,683	\$4,436,899	\$35,464,057	\$62,759,825	\$26,113,555	\$102,000,210	\$21,346,224	\$437,346	\$373,021	\$409,149	\$70,199	\$209,127	\$44,058
Class Maximum @ Primary	100.00%	38.74%	3.29%	1.01%	8.10%	14.34%	5.97%	23.31%	4.88%	0.10%	0.09%	0.09%	0.02%	0.05%	0.01%
Total Step-Down Transformers	\$103,421,073	\$45,782,625	\$3,889,339	\$1,198,269	\$9,578,148	\$16,710,957	\$7,052,763	\$18,792,306	\$0	\$118,174	\$100,702	\$110,514	\$18,935	\$56,462	\$11,878
Class Maximum @ Step-Down	100.00%	44.27%	3.76%	1.16%	9.26%	16.16%	6.82%	18.17%	0.00%	0.11%	0.10%	0.11%	0.02%	0.05%	0.01%
Total Secondary Distribution Plant	\$180,160,628	\$97,490,297	\$8,282,025	\$2,551,615	\$20,395,871	\$35,535,292	\$15,018,273	\$0	\$0	\$251,642	\$214,437	\$235,331	\$40,321	\$120,231	\$25,293
Class Maximum @ Secondary	100.00%	54.11%	4.60%	1.42%	11.32%	19.72%	8.34%	0.00%	0.00%	0.14%	0.12%	0.13%	0.02%	0.07%	0.01%
<b><u>Customer / Street Light Specific</u></b>															
369 Services	\$51,696,068	\$41,135,038	\$2,522,917	\$263,489	\$4,743,695	\$1,948,833	\$789,859	\$221,041	\$3,246	\$30,711	\$11,804	\$19,024	\$1,372	\$5,038	\$0
Service Drop	100.00%	79.57%	4.88%	0.51%	9.18%	3.77%	1.53%	0.43%	0.01%	0.06%	0.02%	0.04%	0.00%	0.01%	0.00%
370 Meters	\$43,061,308	\$29,070,836	\$1,782,989	\$641,209	\$6,304,660	\$3,168,526	\$1,284,198	\$612,899	\$9,000	\$70,072	\$26,932	\$60,761	\$5,286	\$23,939	\$0
Meter Investment	100.00%	67.51%	4.14%	1.49%	14.64%	7.36%	2.98%	1.42%	0.02%	0.16%	0.06%	0.14%	0.01%	0.06%	0.00%
373 Street Light & Signal	\$43,408,518	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$43,408,518
Street Light Specific	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
<b><u>Total Distribution Plant</u></b>															
<b>Allocator</b>	\$859,326,682	\$382,993,532	\$30,877,953	\$9,091,480	\$76,486,432	\$120,123,434	\$50,258,648	\$121,626,455	\$21,358,469	\$907,946	\$726,897	\$834,779	\$136,113	\$414,797	\$43,489,746
	100.00%	44.57%	3.59%	1.06%	8.90%	13.98%	5.85%	14.15%	2.49%	0.11%	0.08%	0.10%	0.02%	0.05%	5.06%
<b><u>(3) General Plant:</u></b>															
Transmission	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Transmission O&M Expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Distribution	\$43,998,781	\$19,827,084	\$1,580,831	\$488,699	\$4,096,352	\$6,090,384	\$2,543,695	\$6,090,207	\$1,202,201	\$48,924	\$37,466	\$45,263	\$7,074	\$22,052	\$1,918,552
Total Distribution O&M Expense	100.00%	45.06%	3.59%	1.11%	9.31%	13.84%	5.78%	13.84%	2.73%	0.11%	0.09%	0.10%	0.02%	0.05%	4.36%
Customer	\$5,822,637	\$4,405,634	\$283,280	\$70,811	\$755,088	\$181,869	\$72,534	\$35,767	\$542	\$3,605	\$2,021	\$4,855	\$364	\$577	\$5,691
Total Customer O&M Expense	100.00%	75.66%	4.87%	1.22%	12.97%	3.12%	1.25%	0.61%	0.01%	0.06%	0.03%	0.08%	0.01%	0.01%	0.10%
<b><u>Total General Plant</u></b>															
<b>Allocator</b>	\$49,821,418	\$24,232,718	\$1,864,111	\$559,510	\$4,851,440	\$6,272,252	\$2,616,229	\$6,125,974	\$1,202,743	\$52,528	\$39,487	\$50,117	\$7,438	\$22,629	\$1,924,243
	100.00%	48.64%	3.74%	1.12%	9.74%	12.59%	5.25%	12.30%	2.41%	0.11%	0.08%	0.10%	0.01%	0.05%	3.86%
<b>Total Plant in Service</b>	\$944,468,309	\$420,799,421	\$33,965,508	\$10,041,094	\$83,966,947	\$131,216,335	\$54,772,733	\$135,879,473	\$24,818,617	\$999,150	\$802,426	\$919,869	\$150,354	\$464,691	\$45,671,690

Sources: Functionalization of Rate Base & Expense Study in Workpaper 1(a), Pages 7 and 8

The Narragansett Electric Company  
Allocated Cost of Service Study  
Depreciation Reserve

<b>(4) Depreciation Reserve</b>	Total	A-16	A-18	A-32	C-06	G-02	G-22	G-32	G-62	T(Res)	T(C&I)	V	E30	E40	Street Light
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
<b>Transmission</b>	(\$13,005,828)	(\$4,997,998)	(\$450,504)	(\$143,647)	(\$968,095)	(\$1,775,089)	(\$698,841)	(\$2,992,591)	(\$831,235)	(\$14,241)	(\$13,272)	(\$12,878)	(\$2,505)	(\$10,040)	(\$94,892)
Total Transmission Plant	100.00%	38.43%	3.46%	1.10%	7.44%	13.65%	5.37%	23.01%	6.39%	0.11%	0.10%	0.10%	0.02%	0.08%	0.73%
<b>Distribution</b>	(\$324,992,258)	(\$144,845,884)	(\$11,677,859)	(\$3,438,344)	(\$28,926,715)	(\$45,429,971)	(\$19,007,523)	(\$45,998,404)	(\$8,077,647)	(\$343,380)	(\$274,908)	(\$315,708)	(\$51,477)	(\$156,874)	(\$16,447,564)
Total Distribution Plant	100.00%	44.57%	3.59%	1.06%	8.90%	13.98%	5.85%	14.15%	2.49%	0.11%	0.08%	0.10%	0.02%	0.05%	5.06%
<b>General</b>	(\$13,571,287)	(\$6,600,960)	(\$507,781)	(\$152,410)	(\$1,321,526)	(\$1,708,553)	(\$712,657)	(\$1,668,707)	(\$327,626)	(\$14,309)	(\$10,756)	(\$13,652)	(\$2,026)	(\$6,164)	(\$524,161)
Total General Plant	100.00%	48.64%	3.74%	1.12%	9.74%	12.59%	5.25%	12.30%	2.41%	0.11%	0.08%	0.10%	0.01%	0.05%	3.86%
<b>Total Depreciation Reserve</b>	(\$351,569,373)	(\$156,444,841)	(\$12,636,144)	(\$3,734,400)	(\$31,216,336)	(\$48,913,613)	(\$20,419,021)	(\$50,659,702)	(\$9,236,508)	(\$371,930)	(\$298,936)	(\$342,238)	(\$56,008)	(\$173,078)	(\$17,066,618)

Sources: Company Interstate Allocation Study for 2003



The Narragansett Electric Company  
Allocated Cost of Service Study  
Working Capital

The Narragansett Electric Company  
R.I.P.U.C. Docket No. \_\_\_\_  
Schedule JAL-1  
Page 17 of 20

	Total	A-16	A-18	A-32	C-06	G-02	G-22	G-32	G-62	T(Res)	T(C&I)	V	E30	E40	Street Light
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
<b>(5) Working Capital</b>															
<u>Working Cash</u>															
O&M Expense	\$7,480,000	\$4,077,515	\$298,162	\$85,514	\$780,710	\$787,272	\$327,350	\$730,968	\$142,049	\$7,177	\$5,205	\$7,241	\$976	\$2,825	\$227,036
Total O&M Expenses	100.00%	54.51%	3.99%	1.14%	10.44%	10.53%	4.38%	9.77%	1.90%	0.10%	0.07%	0.10%	0.01%	0.04%	3.04%
Purchased Power	\$7,336,000	\$2,484,028	\$244,583	\$77,612	\$485,011	\$1,002,886	\$364,419	\$1,993,943	\$585,526	\$8,680	\$8,115	\$6,149	\$1,731	\$7,306	\$66,011
Total Power Supply Expense	100.00%	33.86%	3.33%	1.06%	6.61%	13.67%	4.97%	27.18%	7.98%	0.12%	0.11%	0.08%	0.02%	0.10%	0.90%
Federal Income Tax	\$248,000	\$110,575	\$8,922	\$2,638	\$22,065	\$34,426	\$14,370	\$35,646	\$6,518	\$262	\$211	\$242	\$39	\$122	\$11,965
Total Net Utility Plant	100.00%	44.59%	3.60%	1.06%	8.90%	13.88%	5.79%	14.37%	2.63%	0.11%	0.08%	0.10%	0.02%	0.05%	4.82%
Municipal Tax	(\$4,107,000)	(\$1,831,179)	(\$147,748)	(\$43,686)	(\$365,403)	(\$570,109)	(\$237,968)	(\$590,316)	(\$107,937)	(\$4,345)	(\$3,488)	(\$4,001)	(\$654)	(\$2,020)	(\$198,147)
Total Net Utility Plant	100.00%	44.59%	3.60%	1.06%	8.90%	13.88%	5.79%	14.37%	2.63%	0.11%	0.08%	0.10%	0.02%	0.05%	4.82%
Gross Earnings & Sales Taxes	\$1,560,000	\$725,333	\$59,645	\$15,832	\$157,274	\$189,853	\$72,743	\$231,609	\$38,018	\$1,562	\$1,391	\$1,525	\$210	\$913	\$64,092
Present Revenues	100.00%	46.50%	3.82%	1.01%	10.08%	12.17%	4.66%	14.85%	2.44%	0.10%	0.09%	0.10%	0.01%	0.06%	4.11%
Payroll Taxes	\$82,000	\$44,700	\$3,269	\$937	\$8,559	\$8,631	\$3,589	\$8,013	\$1,557	\$79	\$57	\$79	\$11	\$31	\$2,489
Total O&M Expenses	100.00%	54.51%	3.99%	1.14%	10.44%	10.53%	4.38%	9.77%	1.90%	0.10%	0.07%	0.10%	0.01%	0.04%	3.04%
Total Working Cash	\$12,599,000	\$5,610,972	\$466,832	\$138,847	\$1,088,216	\$1,452,957	\$544,502	\$2,409,864	\$665,731	\$13,416	\$11,491	\$11,234	\$2,314	\$9,177	\$173,446
<u>Materials &amp; Supplies</u>															
Total Materials & Supplies	\$4,036,000	\$2,200,113	\$160,880	\$46,141	\$421,249	\$424,790	\$176,629	\$394,410	\$76,646	\$3,873	\$2,809	\$3,907	\$527	\$1,524	\$122,502
Total O&M Expenses	100.00%	54.51%	3.99%	1.14%	10.44%	10.53%	4.38%	9.77%	1.90%	0.10%	0.07%	0.10%	0.01%	0.04%	3.04%
<b>Total Working Capital</b>	<b>\$16,635,000</b>	<b>\$7,811,086</b>	<b>\$627,712</b>	<b>\$184,988</b>	<b>\$1,509,465</b>	<b>\$1,877,747</b>	<b>\$721,131</b>	<b>\$2,804,274</b>	<b>\$742,377</b>	<b>\$17,289</b>	<b>\$14,300</b>	<b>\$15,142</b>	<b>\$2,841</b>	<b>\$10,701</b>	<b>\$295,948</b>

Sources: Functionalization of Rate Base & Expense Study in Workpaper 1(a), Page 9 and Page 10

The Narragansett Electric Company  
Allocated Cost of Service Study  
Deferred Tax Reserve

The Narragansett Electric Company  
R.I.P.U.C. Docket No. \_\_\_\_  
Schedule JAL-1  
Page 18 of 20

	Total	A-16	A-18	A-32	C-06	G-02	G-22	G-32	G-62	T(Res)	T(C&I)	V	E30	E40	Street Light
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
<b>(6) Deferred Tax Reserve</b>															
Transmission	(\$3,709,102)	(\$1,425,367)	(\$128,478)	(\$40,966)	(\$276,089)	(\$506,234)	(\$199,301)	(\$853,450)	(\$237,058)	(\$4,061)	(\$3,785)	(\$3,673)	(\$714)	(\$2,863)	(\$27,062)
Total Transmission Plant	100.00%	38.43%	3.46%	1.10%	7.44%	13.65%	5.37%	23.01%	6.39%	0.11%	0.10%	0.10%	0.02%	0.08%	0.73%
Distribution	(\$90,240,973)	(\$40,219,523)	(\$3,242,604)	(\$954,729)	(\$8,032,114)	(\$12,614,592)	(\$5,277,841)	(\$12,772,430)	(\$2,242,929)	(\$95,347)	(\$76,334)	(\$87,663)	(\$14,294)	(\$43,559)	(\$4,567,014)
Total Distribution Plant	100.00%	44.57%	3.59%	1.06%	8.90%	13.98%	5.85%	14.15%	2.49%	0.11%	0.08%	0.10%	0.02%	0.05%	5.06%
General	(\$5,231,926)	(\$2,544,765)	(\$195,757)	(\$58,756)	(\$509,467)	(\$658,672)	(\$274,740)	(\$643,310)	(\$126,304)	(\$5,516)	(\$4,147)	(\$5,263)	(\$781)	(\$2,376)	(\$202,072)
Total General Plant	100.00%	48.64%	3.74%	1.12%	9.74%	12.59%	5.25%	12.30%	2.41%	0.11%	0.08%	0.10%	0.01%	0.05%	3.86%
<b>Total Deferred Tax Reserve</b>	(\$99,182,000)	(\$44,189,654)	(\$3,566,840)	(\$1,054,451)	(\$8,817,670)	(\$13,779,497)	(\$5,751,881)	(\$14,269,190)	(\$2,606,292)	(\$104,924)	(\$84,266)	(\$96,599)	(\$15,789)	(\$48,799)	(\$4,796,148)

**Sources:** Functionalization of Rate Base & Expense Study in Workpaper 1(a), Page 9

The Narragansett Electric Company  
Allocated Cost of Service Study  
Summary of Allocation Factors

Allocators	Total (1)	A-16 (2)	A-18 (3)	A-32 (4)	C-06 (5)	G-02 (6)	G-22 (7)	G-32 (8)	G-62 (9)	T(Res) (10)	T(C&I) (11)	V (12)	E30 (13)	E40 (14)	Street Light (15)
Coincident Peak	1,287,666 100.00%	494,836 38.43%	44,603 3.46%	14,222 1.10%	95,848 7.44%	175,746 13.65%	69,190 5.37%	296,287 23.01%	82,298 6.39%	1,410 0.11%	1,314 0.10%	1,275 0.10%	248 0.02%	994 0.08%	9,395 0.73%
Class Maximum @ Primary	1,489,795 100.00%	577,135 38.74%	49,029 3.29%	15,106 1.01%	120,742 8.10%	213,674 14.34%	88,907 5.97%	347,273 23.31%	72,676 4.88%	1,489 0.10%	1,270 0.09%	1,393 0.09%	239 0.02%	712 0.05%	150 0.010%
Class Maximum @ Secondary	982,984 100.00%	531,922 54.11%	45,188 4.60%	13,922 1.42%	111,283 11.32%	193,886 19.72%	81,942 8.34%	0 0.00%	0 0.00%	1,373 0.14%	1,170 0.12%	1,284 0.13%	220 0.02%	656 0.07%	138 0.01%
Number of Bills	5,635,626 100.00%	4,677,565 83.00%	286,887 5.09%	29,962 0.53%	506,616 8.99%	79,687 1.41%	32,297 0.57%	11,373 0.20%	167 0.00%	2,313 0.04%	889 0.02%	2,721 0.05%	156 0.00%	206 0.00%	4,787 0.08%
MWh Sales	7,694,091,648 100.00%	2,605,280,812 33.86%	256,521,436 3.33%	81,400,283 1.06%	508,685,648 6.61%	1,051,839,603 13.67%	382,207,580 4.97%	2,091,273,081 27.18%	614,107,000 7.98%	9,104,037 0.12%	8,511,171 0.11%	6,449,297 0.08%	1,815,905 0.02%	7,662,854 0.10%	69,232,941 0.90%
Number of Metered Bills	5,627,312 100.00%	4,677,565 83.12%	286,887 5.10%	29,962 0.53%	503,089 8.94%	79,687 1.42%	32,297 0.57%	11,373 0.20%	167 0.00%	2,313 0.04%	889 0.02%	2,721 0.05%	156 0.00%	206 0.00%	0 0.00%
Meter Investment	\$6,928,664 100.00%	\$4,677,565 67.51%	\$286,887 4.14%	\$103,172 1.49%	\$1,014,434 14.64%	\$509,823 7.36%	\$206,630 2.98%	\$98,617 1.42%	\$1,448 0.02%	\$11,275 0.16%	\$4,333 0.06%	\$9,777 0.14%	\$851 0.01%	\$3,852 0.06%	\$0 0.00%
Meter Cost		\$63.37	\$63.37	\$218.21	\$127.78	\$405.43	\$405.43	\$549.49	\$549.49	\$308.90	\$308.90	\$227.69	\$345.49	\$1,184.92	\$0.00
Weights		1.00	1.00	3.44	2.02	6.40	6.40	8.67	8.67	4.87	4.87	3.59	5.45	18.70	0.00
Uncollectible Bills	\$5,089,864 100.00%	\$3,811,683 74.89%	\$233,780 4.59%	\$24,416 0.48%	\$807,400 15.86%	\$126,998 2.50%	\$51,472 1.01%	\$18,125 0.36%	\$266 0.01%	\$1,885 0.04%	\$1,417 0.03%	\$4,336 0.09%	\$127 0.00%	\$328 0.01%	\$7,629 0.15%
Street Light Specific	1 100.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$1 100.00%
Class Maximum @ Step-Down	1,201,590 100.00%	531,922 44.27%	45,188 3.76%	13,922 1.16%	111,283 9.26%	194,155 16.16%	81,942 6.82%	218,337 18.17%	0 0.00%	1,373 0.11%	1,170 0.10%	1,284 0.11%	220 0.02%	656 0.05%	138 0.01%
Customer Deposits	\$122,067 100.00%	\$103 0.08%	\$5 0.00%	\$78 0.06%	\$41,261 33.80%	\$48,899 40.06%	\$12,444 10.19%	\$17,292 14.17%	\$0 0.00%	\$1,294 1.06%	\$593 0.49%	\$93 0.08%	\$0 0.00%	\$0 0.00%	\$5 0.00%
Meter Reading Time	16,746,838 100.00%	4,677,565 27.93%	717,218 4.28%	1,432,184 8.55%	5,030,890 30.04%	2,868,732 17.13%	1,123,936 6.71%	732,421 4.37%	11,323 0.07%	49,267 0.29%	31,737 0.19%	53,332 0.32%	7,316 0.04%	10,918 0.07%	0 0.00%
Weights		1.00	2.50	47.80	10.00	34.80	36.00	64.40	67.80	21.30	35.70	19.60	46.90	53.00	0.00
Read Time per Meter		4.70	11.60	224.50	46.90	169.40	163.40	302.70	318.50	100.02	168.00	92.20	220.60	249.20	0.00
Service Drop	\$805,940,334 100.00%	\$641,294,162 79.57%	\$39,332,208 4.88%	\$4,107,790 0.51%	\$73,954,083 9.18%	\$30,382,262 3.77%	\$12,313,877 1.53%	\$3,446,019 0.43%	\$50,601 0.01%	\$478,791 0.06%	\$184,023 0.02%	\$296,589 0.04%	\$21,388 0.00%	\$78,542 0.01%	\$0 0.00%
		137.10	137.10	137.10	147.00	381.27	381.27	303.00	303.00	207.00	207.00	109.00	137.10	381.27	0.00

The Narragansett Electric Company  
Allocated Cost of Service Study  
Summary of Allocation Factors

The Narragansett Electric Company  
R.I.P.U.C. Docket No. \_\_\_\_  
Schedule JAL-1  
Page 20 of 20

Allocators	Total (1)	A-16 (2)	A-18 (3)	A-32 (4)	C-06 (5)	G-02 (6)	G-22 (7)	G-32 (8)	G-62 (9)	T(Res) (10)	T(C&I) (11)	V (12)	E30 (13)	E40 (14)	Street Light (15)
Total Distribution Plant	\$859,326,682 100.00%	\$382,993,532 44.57%	\$30,877,953 3.59%	\$9,091,480 1.06%	\$76,486,432 8.90%	\$120,123,434 13.98%	\$50,258,648 5.85%	\$121,626,455 14.15%	\$21,358,469 2.49%	\$907,946 0.11%	\$726,897 0.08%	\$834,779 0.10%	\$136,113 0.02%	\$414,797 0.05%	\$43,489,746 5.06%
Total General Plant	\$49,821,418 100.00%	\$24,232,718 48.64%	\$1,864,111 3.74%	\$559,510 1.12%	\$4,851,440 9.74%	\$6,272,252 12.59%	\$2,616,229 5.25%	\$6,125,974 12.30%	\$1,202,743 2.41%	\$52,528 0.11%	\$39,487 0.08%	\$50,117 0.10%	\$7,438 0.01%	\$22,629 0.05%	\$1,924,243 3.86%
Total Transmission Plant	\$35,320,209 100.00%	\$13,573,171 38.43%	\$1,223,444 3.46%	\$390,104 1.10%	\$2,629,076 7.44%	\$4,820,649 13.65%	\$1,897,856 5.37%	\$8,127,044 23.01%	\$2,257,404 6.39%	\$38,676 0.11%	\$36,043 0.10%	\$34,973 0.10%	\$6,803 0.02%	\$27,265 0.08%	\$257,701 0.73%
Total Distribution O&M Expense	\$36,395,279 100.00%	\$16,400,733 45.06%	\$1,307,645 3.59%	\$404,246 1.11%	\$3,388,455 9.31%	\$5,037,894 13.84%	\$2,104,115 5.78%	\$5,037,748 13.84%	\$994,446 2.73%	\$40,469 0.11%	\$30,991 0.09%	\$37,441 0.10%	\$5,851 0.02%	\$18,241 0.05%	\$1,587,004 4.36%
Total A & G Expense - Co	\$46,459,641 100.00%	\$21,759,019 46.83%	\$1,712,347 3.69%	\$508,377 1.09%	\$4,296,505 9.25%	\$6,084,118 13.10%	\$2,542,980 5.47%	\$6,208,631 13.36%	\$1,181,458 2.54%	\$47,752 0.10%	\$37,609 0.08%	\$45,797 0.10%	\$7,172 0.02%	\$22,062 0.05%	\$2,005,815 4.32%
Total Net Utility Plant	\$592,898,936 100.00%	\$264,354,580 44.59%	\$21,329,363 3.60%	\$6,306,694 1.06%	\$52,750,612 8.90%	\$82,302,722 13.88%	\$34,353,713 5.79%	\$85,219,771 14.37%	\$15,582,109 2.63%	\$627,220 0.11%	\$503,490 0.08%	\$577,631 0.10%	\$94,346 0.02%	\$291,613 0.05%	\$28,605,073 4.82%
Total Transmission O&M Expense	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
Total Customer O&M Expense	\$16,351,140 100.00%	\$12,371,911 75.66%	\$795,506 4.87%	\$198,851 1.22%	\$2,120,439 12.97%	\$510,724 3.12%	\$203,690 1.25%	\$100,441 0.61%	\$1,523 0.01%	\$10,123 0.06%	\$5,675 0.03%	\$13,633 0.08%	\$1,023 0.01%	\$1,619 0.01%	\$15,981 0.10%
Total Rate Base	\$516,985,936 100.00%	\$232,091,848 44.89%	\$18,722,387 3.62%	\$5,533,819 1.07%	\$45,384,608 8.78%	\$70,640,710 13.66%	\$29,592,864 5.72%	\$74,713,793 14.45%	\$13,960,927 2.70%	\$521,780 0.10%	\$428,724 0.08%	\$503,185 0.10%	\$82,867 0.02%	\$258,058 0.05%	\$24,550,364 4.75%
Total O&M Expenses	\$52,840,343 100.00%	\$28,804,447 54.51%	\$2,106,283 3.99%	\$604,091 1.14%	\$5,515,104 10.44%	\$5,561,458 10.53%	\$2,312,470 4.38%	\$5,163,718 9.77%	\$1,003,466 1.90%	\$50,703 0.10%	\$36,770 0.07%	\$51,152 0.10%	\$6,897 0.01%	\$19,954 0.04%	\$1,603,831 3.04%
Revenue Requirement less A&G	\$618,722,279 100.00%	\$282,754,745 45.70%	\$22,586,565 3.65%	\$6,658,278 1.08%	\$55,313,416 8.94%	\$82,992,571 13.41%	\$34,730,465 5.61%	\$86,834,797 14.03%	\$16,235,126 2.62%	\$625,625 0.10%	\$507,434 0.08%	\$602,050 0.10%	\$97,488 0.02%	\$301,841 0.05%	\$28,481,880 4.60%
Total Power Supply Expense	\$93,924 100.00%	\$31,803 33.86%	\$3,131 3.33%	\$994 1.06%	\$6,210 6.61%	\$12,840 13.67%	\$4,666 4.97%	\$25,529 27.18%	\$7,497 7.98%	\$111 0.12%	\$104 0.11%	\$79 0.08%	\$22 0.02%	\$94 0.10%	\$845 0.90%
Present Revenues	\$222,297,400 100.00%	\$103,358,811 46.50%	\$8,499,325 3.82%	\$2,256,004 1.01%	\$22,411,342 10.08%	\$27,053,691 12.17%	\$10,365,711 4.66%	\$33,003,920 14.85%	\$5,417,527 2.44%	\$222,563 0.10%	\$198,186 0.09%	\$217,241 0.10%	\$29,896 0.01%	\$130,125 0.06%	\$9,133,059 4.11%
Revenue Requirement	\$222,297,400 100.00%	\$105,082,573 47.27%	\$8,322,295 3.74%	\$2,381,801 1.07%	\$21,167,608 9.52%	\$28,169,104 12.67%	\$11,517,417 5.18%	\$30,069,904 13.53%	\$5,446,531 2.45%	\$225,392 0.10%	\$183,079 0.08%	\$216,904 0.10%	\$32,689 0.01%	\$109,931 0.05%	\$9,372,174 4.22%

**Sources:**

Total Distribution Plant - Page 5 of 20  
Total General Plant - Page 5 of 20  
Total Transmission Plant - Page 5 of 20  
Total Distribution O&M Expense - Page 7 of 20

Total A & G Expense - Co - Page 9 of 20  
Total Net Utility Plant - Page 5 of 20  
Total Transmission O&M Expense - Page 6 of 20  
Total Customer O&M Expense - Page 8 of 20

Total Rate Base - Page 5 of 20  
Total O&M Expenses - Page 9 of 20  
Total Power Supply Expense - Page 6 of 20  
Present Revenues - Page 3 of 20



THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

## **Schedule JAL-2 Rate Mapping**

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THE NARRAGANSETT ELECTRIC COMPANY  
Proposed Rate Mapping of Present Rate Classes

<u>Present Rate</u>	<u>Proposed Rate</u>
Basic Residential A-16	Basic Residential A-16
Residential Water Heater Control Rate A-18	Basic Residential A-16
Residential Time-of-Use Rate A-32	Basic Residential A-16
Low Income Rate A-60	Low Income Rate A-60
Limited All-Electric Living Rate T-06	A-16/C-06
Small C&I Rate C-06	Small C&I Rate C-06
General C&I Rate G-02	General C&I Rate G-02
Limited Medium Secondary Voltage C&I Rate G-22	C06/G02/G32
200 kW Demand Rate G-32	200 kW Demand Rate G-32
3000 kW Demand Rate G-62	3000 kW Demand Rate G-62
Limited Traffic Signal Service R-02	Small C&I Rate C-06 (5-year phase in)
Residential Storage Heating Rate E-30	Basic Residential A-16
Storage Cooling Rate E-40	G02/G32
Limited Service - Business Space Heating V-02	C06/G02
Limited Service - Private Lighting S-10	Limited Service - Private Lighting S-10
Limited Streetlighting Service S-12	General Streetlighting Service S-14
General Streetlighting Service S-14	General Streetlighting Service S-14
Station Power Delivery and Reliability Service Rate M-1	Station Power Delivery and Reliability Service Rate M-1
69 kV Rate N-01	3000 kW Demand Rate G-62
Electric Propulsion Rate X-01	Electric Propulsion Rate X-01
200 kW Demand Backup Service Rate B-32	C&I Backup Service Rate B-32
3000 kW Demand Backup Service Rate B-62	3000 kW Demand Backup Service Rate B-62





THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

**Schedule JAL-3**  
**Summary of Rate Changes**

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THE NARRAGANSETT ELECTRIC COMPANY  
Summary of Proposed Rate Changes  
Rates not adjusted for Gross Earnings Tax

Rate/ Type of Charge	Present Distribution Charges	Rate/ Type of Charge	Proposed Distribution Charges
A-16		A-16	
Customer Charge	\$2.54	Customer Charge	\$2.54
kWh Charge (1)	\$0.03642	kWh Charge (1)	\$0.03595
		E-30 Credit	(\$0.01500)
A-18		A-16	
Customer Charge	\$2.52	Customer Charge	\$2.54
kWh Charge (1)	\$0.03536	kWh Charge (1)	\$0.03595
Interruptible Credit (1st 750 kWhs)	(\$0.00661)	E-30 Credit	(\$0.01500)
A-32		A-16	
Customer Charge	\$2.30	Customer Charge	\$2.54
Meter Charge	\$4.44	kWh Charge (1)	\$0.03595
kWh Charge (1)	\$0.02558	E-30 Credit	(\$0.01500)
A-60		A-60	
Customer Charge	\$0.00	Customer Charge	\$0.00
kWh Charge (1)	\$0.02551		
Interruptible Credit		First 500 kWh Chg (1)	\$0.01797
First 750 kWh	(\$0.00661)	Over 500 kWh Chg (1)	\$0.03595
BV First 300 kWh Chg	(\$0.01436)		
BV Over 300 kWh Chg	\$0.01194		
NP First 300 kWh Chg	(\$0.00782)		
NP Over 300 kWh Chg	\$0.01952		
S-10, S-12, S-14		S10/S14	
Customer Charge	See Tariff	Customer Charge	See Tariff
kWh Charge (1)	\$0.00396	kWh Charge (1)	\$0.00000
BV kWh Credit S-10 & S-14	(\$0.04420)	BV kWh Credit S-10 & S-14	(\$0.01326)
NP kWh Credit S-10 & S-14	(\$0.02918)	NP kWh Credit S-10 & S-14	(\$0.00875)
C-06		C-06	
Customer Charge	\$5.73	Customer Charge	\$5.73
Unmetered Charge	\$1.83	Unmetered Charge	\$1.83
kWh Charge (1)	\$0.03860	kWh Charge (1) (Eff. 1/1/2005)	\$0.03628
R-02		R-02	
kWh Charge (1)	0.00867	Unmetered Charge	\$0.37
		kWh Charge (1) (Eff. 1/1/2005)	\$0.01414
G-02		G-02	
Customer Charge	\$103.41	Customer Charge	\$103.41
kW > 10 Charge	\$2.91	kW > 10 Charge	\$3.63
kWh Charge (1)	\$0.00992	kWh Charge (1)	\$0.00942
G-22		G-02/G-32	
Customer Charge	\$0.00		
kW Charge	\$1.50		
kWh Charge (1)	\$0.02215		
G-32		G-32	
Customer Charge	\$236.43	Customer Charge	\$236.43
kW Charge	\$1.56	kW Charge	\$3.12
kWh Charge (1)	\$0.01101	kWh Charge (1)	\$0.00544
G-62		G-62	
Customer Charge	\$17,118.72	Customer Charge	\$17,118.72
kW Charge	\$0.75	kW Charge	\$2.48
kWh Charge (1)	\$0.00396	kWh Charge (1)	\$0.00000
H-72		Withdrawn	
Customer Charge	\$6.75		
kW Charge	\$0.35		
kWh Charge	\$0.00396		

(1) Includes settlement credit of \$.00038 per kWh.

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THE NARRAGANSETT ELECTRIC COMPANY  
Summary of Proposed Rate Changes  
Rates not adjusted for Gross Earnings Tax

Rate/ Type of Charge	Present Distribution Charges	Rate/ Type of Charge	Proposed Distribution Charges
N-01		G-62	
Customer Charge	\$0.00	Customer Charge	\$17,118.72
kW Charge	\$5.52	kW Charge	\$2.48
Reactive Charge	\$0.17	kWh Charge (1)	\$0.00000
kWh Charge (1)	\$0.00574		
E-30		A-16	
Customer Charge	\$7.54	Customer Charge	\$2.54
kWh Charge (1)	\$0.01582	kWh Charge (1)	\$0.03595
		E-30 Credit	(\$0.01500)
E-40		C-06/G-02/G-32	
Customer Charge	\$75.15		
Peak kWh Charge (1)	\$0.02536		
Offpeak kWh Charge (1)	0.00949		
T-06		A-16/C-06	
Customer Charge	\$7.84		
kWh Charge (1)	\$0.02247		
V-02		C-06/G-02	
Customer Charge	\$7.85		
kWh Charge (1)	\$0.03038		
B-02		Withdrawn	
Customer Charge	\$103.41		
kW Charge - Delivered & Generated	\$2.91		
kWh Delivered (1)	\$0.00992		
kWh Generated (1)	\$0.00992		
B-06		Withdrawn	
Customer Charge	\$5.73		
kW Charge - Delivered & Generated	\$0.00		
kWh Delivered (1)	\$0.03860		
kWh Generated (1)	\$0.03860		
B-32		B-32	
Customer Charge	\$236.43	Customer Charge	\$236.43
kW Charge - Delivered & Generated	\$1.56	kW Charge - Generated	\$4.90
kWh Delivered (1)	\$0.01101	kW Charge - Delivered	\$3.12
kWh Generated (1)	\$0.01101	kWh Delivered (1)	\$0.00544
B-62		B-62	
Customer Charge	\$17,118.72	Customer Charge	\$17,118.72
kW Charge	\$0.75	kW Charge - Delivered and Generated	\$2.48
kWh Delivered	\$0.00396	kWh Delivered (1)	\$0.00000
kWh Generated	\$0.00396		
B-72		Withdrawn	
Customer Charge	\$63.75		
kW Charge	\$0.35		
kWh Delivered	\$0.00396		
kWh Generated	\$0.00396		
X-01		X-01	
Customer Charge	\$10,000.00	Customer Charge	\$10,000.00
kW Charge	\$0.00	kW Charge	\$0.00
kWh Charge (1)	\$0.00396	kWh Charge (1)	\$0.00396

(1) Includes settlement credit of \$0.00038 per kWh.

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THE NARRAGANSETT ELECTRIC COMPANY  
Summary of Proposed Rate Changes  
Rates not adjusted for Gross Earnings Tax

<u>Rate/ Type of Charge</u>	<u>Present Distribution Charges</u>	<u>Rate/ Type of Charge</u>	<u>Proposed Distribution Charges</u>
M-1		M-1	
Option A:		Option A:	
fixed charges	\$3,500.00	fixed charges	\$3,500.00
variable charges	\$0.00	variable charges	\$0.00
(transition and conservation charges billed on higher of fixed charges or kWhs times variable charges)		(transition and conservation charges billed on higher of fixed charges or kWhs times variable charges)	
Option B:		Option B:	
fixed charge	\$3,500.00	fixed charge	\$3,500.00
kWh charge		kWh charge	

(1) Includes settlement credit of \$.00038 per kWh.



THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

**Schedule JAL-4**  
**Test Year Normalized Revenues**

The Narragansett Electric Company  
Normalized Test Year Revenue  
January 2003 through December 2003

	Number of Bills (a)	Calculated Customer Charge Rev (b)	Prorate Factor (c)	Normalized Customer Charge Rev (d)	Billing Demand (e)	Calculated Demand Charge Rev (f)	Prorate Factor (g)	Normalized Demand Charge Rev (h)	kWh Deliveries (i)	Normalized Energy Charge Rev (j)	Normalized Test Year Revenue (k)	Adjustments to Normalized Test Year Revenue (l)	Adjusted Normalized Test Year Revenue (m)
A16	4,310,866	\$10,949,600	0.291%	\$10,981,490	-	\$0	0.000%	\$0.00	2,423,783,847	\$88,274,208	\$99,255,698		\$99,255,698
A18	272,352	\$686,327	0.532%	\$689,975	-	\$0	0.000%	\$0.00	244,290,938	\$7,569,824	\$8,259,799	\$320 (1)	\$8,260,119
A32	29,962	\$68,913	0.882%	\$69,520	-	\$0	0.000%	\$0.00	81,400,283	\$2,186,484	\$2,256,004		\$2,256,004
A60	366,699	\$0	0.000%	\$0	-	\$0	0.000%	\$0.00	181,496,965	\$4,103,113	\$4,103,113		\$4,103,113
A62	14,535	\$0	0.000%	\$0	-	\$0	0.000%	\$0.00	12,230,498	\$239,206	\$239,206		\$239,206
B62	22	\$376,612	2.727%	\$386,884	310,572.0	\$232,929	0.000%	\$232,929.00	179,624,800	\$614,877	\$1,234,690	-\$30,665 (2)	\$1,204,025
C06	506,616	\$2,737,012	0.875%	\$2,760,974	-	\$0	0.000%	\$0.00	504,106,928	\$19,455,667	\$22,216,641	\$155,003 (1)	\$22,371,644
E30	156	\$1,176	-0.685%	\$1,168	-	\$0	0.000%	\$0.00	1,815,905	\$28,728	\$29,896		\$29,896
E40	206	\$15,481	1.473%	\$15,709	-	\$0	0.000%	\$0.00	7,662,854	\$114,416	\$130,125		\$130,125
G02	79,687	\$8,240,433	-0.275%	\$8,217,734	3,672,059.7	\$8,366,802	0.887%	\$8,441,037.82	1,051,839,603	\$10,402,130	\$27,060,902	-\$7,212 (1)(2)	\$27,053,691
G22	32,297	\$0	0.000%	\$0	1,264,410.6	\$1,896,616	0.636%	\$1,908,680.18	382,207,580	\$8,457,030	\$10,365,711		\$10,365,711
G32	11,373	\$2,688,918	2.551%	\$2,757,513	5,649,213.5	\$8,812,773	0.377%	\$8,845,958.75	2,064,808,881	\$21,393,163	\$32,996,635	-\$340,353 (1)	\$32,656,282
G62	133	\$2,276,790	-1.487%	\$2,242,929	658,800.2	\$494,100	1.416%	\$501,097.07	319,408,200	\$880,786	\$3,624,812	-\$135,867 (2)	\$3,488,945
M1	36	\$0	0.000%	\$0	-	\$0	0.000%	\$0.00	798,000	\$126,000	\$126,000		\$126,000
N01	12	\$0	0.000%	\$0	214,470.0	\$1,183,874	1.755%	\$1,204,657.20	115,074,000	\$707,259	\$1,911,917	-\$1,187,359 (3)	\$724,558
R02	7,368	\$0	0.000%	\$0	-	\$0	0.000%	\$0.00	4,578,720	\$39,698	\$39,698		\$39,698
S10	-	\$1,039,021	-0.218%	\$1,036,759	-	\$0	0.000%	\$0.00	11,462,624	-\$215,253	\$821,506	\$2,397 (1)	\$823,903
S12	2,000	\$5,457,120	0.147%	\$5,465,163	-	\$0	0.000%	\$0.00	38,046,670	\$150,665	\$5,615,828		\$5,615,828
S14	2,787	\$3,122,247	0.441%	\$3,136,014	-	\$0	0.000%	\$0.00	19,723,647	-\$454,338	\$2,681,676	\$11,652 (1)	\$2,693,328
T-Res	2,313	\$18,134	-0.765%	\$17,995	-	\$0	0.000%	\$0.00	9,104,037	\$204,568	\$222,563		\$222,563
T-C&I	889	\$6,970	-0.428%	\$6,940	-	\$0	0.000%	\$0.00	8,511,171	\$191,246	\$198,186		\$198,186
V02	2,721	\$21,360	-0.228%	\$21,311	-	\$0	0.000%	\$0.00	6,449,297	\$195,930	\$217,241		\$217,241
X01	12	\$120,000	0.000%	\$120,000	-	\$0	0.000%	\$0.00	25,666,200	\$101,638	\$221,638		\$221,638
	5,643,042	\$37,826,112		\$37,928,080	11,769,526.0	\$20,987,095		\$21,134,360.02	7,694,091,648	\$164,767,044	\$223,829,484	-\$1,532,084	\$222,297,400

- (a) Workpaper 2, Pages 2 - 12  
(b) Workpaper 2, Page 1, Column (a)  
(c) Workpaper 2, Page 1, Column (d)  
(d) Column (b) x (1+ Column (c))  
(e) Workpaper 2, Pages 2 - 12  
(f) Workpaper 2, Page 1, Column (f)  
(g) Workpaper 2, Page 1, Column (h)  
(h) Column (f) x (1+ Column (g))  
(i) Workpaper 2, Pages 2 - 12  
(j) Workpaper 2, Page 1, Column (i)  
(k) Column (d) + Column (h) + Column (i)  
(l) Adjustments to Normalized Test Year Revenues as described below  
(m) Column (k) + Column (l)

- (1) Expiration of Hold Harmless provisions per Third Stipulation and Settlement Agreement, filed March 2000 in RIPUC Docket No. 2930  
(2) Removes HVM credit not related to distribution revenue  
(3) Per Commission decision in RIPUC Docket No. 3551, US Navy will transfer to Rate G-62. Adjustment reflects reduction to revenues due to Navy billing on Rate G-62.





THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

**Schedule JAL-5**  
**Summary of Proposed Rate Class Revenues**

The Narragansett Electric Company  
Revenue Neutral Rate Filing  
Summary of Rate Class Impacts

**By Proposed Rate Class**

<u>Proposed Class</u>	<u>Present Class</u>	<u>Number of Customers</u> (a)	<u>kWh Deliveries</u> (b)	<u>Normalized Present Revenue</u> (c)	<u>Proposed Revenue</u> (d)	<u>Difference between Present and Proposed Rev</u> (e) = (d) - (c)	<u>% Diff</u> (f) = (e) ÷ (c)
A-16	A16	359,239	2,423,783,847	\$99,255,698	\$98,116,519	(\$1,139,178)	-1.1%
	A18	22,696	244,290,938	\$8,260,119	\$9,289,692	\$1,029,573	12.5%
	A32	2,497	81,400,283	\$2,256,004	\$3,003,115	\$747,111	33.1%
	E30	13	1,815,905	\$29,896	\$38,445	\$8,549	28.6%
	T-Res	<u>193</u>	<u>9,104,037</u>	<u>\$222,563</u>	<u>\$333,120</u>	<u>\$110,557</u>	<u>49.7%</u>
	Subtotal	384,638	2,760,395,010	\$110,024,279	\$110,780,892	\$756,612	0.7%
A-60	A60	31,770	193,727,463	\$4,342,319	\$4,391,249	\$48,929	1.1%
C-06	C06	42,218	504,106,928	\$22,371,644	\$21,072,324	(\$1,299,320)	-5.8%
	R02	614	4,578,720	\$39,698	\$122,924	\$83,227	209.7% (1)
	T-Comm	74	8,511,171	\$198,186	\$311,645	\$113,459	57.2%
	V02	190	3,902,160	\$136,421	\$140,556	\$4,135	3.0%
	E40	4	2,924,760	<u>\$47,712</u>	<u>\$105,350</u>	<u>\$57,638</u>	<u>120.8%</u>
	Subtotal	43,100	524,023,739	\$22,793,660	\$21,752,798	(\$1,040,862)	-4.6%
G-02	G02	6,641	1,051,839,603	\$27,053,691	\$28,659,200	\$1,605,509	5.9%
	G22	2,580	281,076,800	\$7,655,276	\$8,177,862	\$522,587	6.8%
	E40	5	2,100,324	\$36,449	\$19,785	(\$16,664)	-45.7%
	V02	37	2,547,137	<u>\$80,820</u>	<u>\$23,994</u>	<u>(\$56,826)</u>	<u>-70.3%</u>
	Subtotal	9,263	1,337,563,864	\$34,826,236	\$36,880,841	\$2,054,606	5.9%
G-32	G32	948	2,064,808,881	\$32,656,282	\$31,400,218	(\$1,256,063)	-3.8%
	E40	8	2,637,770	\$45,964	\$14,349	(\$31,615)	-68.8%
	G22	111	101,130,780	<u>\$2,710,435</u>	<u>\$1,859,512</u>	<u>(\$850,923)</u>	<u>-31.4%</u>
	Subtotal	1,067	2,168,577,431	\$35,412,681	\$33,274,079	(\$2,138,601)	-6.0%
G-62	G62	11	319,408,200	\$3,488,945	\$3,731,933	\$242,988	7.0%
	B62	2	179,624,800	\$1,204,025	\$1,095,076	(\$108,949)	-9.0%
	N01	1	115,074,000	<u>\$724,558</u>	<u>\$641,758</u>	<u>(\$82,800)</u>	<u>-11.4%</u>
	Subtotal	14	614,107,000	\$5,417,527	\$5,468,767	\$51,240	0.9%
Str	S10	-	11,462,624	\$823,903	\$959,285		
	S12	167	38,046,670	\$5,615,828			
	S14	232	19,723,647	\$2,693,328	\$8,444,940		
	Subtotal	399	69,232,941	\$9,133,059	\$9,404,225	\$271,166	3.0%
X-01	X01	1	25,666,200	\$221,638	\$221,638	\$0	0.0%
M-1	M1	<u>3</u>	<u>798,000</u>	<u>\$126,000</u>	<u>\$126,000</u>	<u>\$0</u>	<u>0.0%</u>
Total		470,255	7,694,091,648	\$222,297,400	\$222,300,490	\$3,090	0.0%

(1) Company is proposing a 5-year phase in of the rates for this class. Revenue increase represents the average increase over the 5-year period.

- (a) Schedule JAL-4, Page 1, Column (a) ÷ 12  
(b) Schedule JAL-4, Page 1, Column (i)  
(c) Schedule JAL-4, Page 1, Column (m)  
(d) Schedule JAL-6

The Narragansett Electric Company  
Revenue Neutral Rate Filing  
Summary of Rate Class Impacts

**By Present Rate Class**

<u>Present Class</u>	<u>Number of Customers</u> (a)	<u>kWh Deliveries</u> (b)	<u>Present Total Revenue</u> (c)	<u>Proposed Revenue</u> (d)	<u>Difference between Present and Proposed Rev</u> (e) = (d) - (c)	<u>% Diff</u> (f) = (e) ÷ (c)
A16	359,239	2,423,783,847	\$99,255,698	\$98,116,519	(\$1,139,178)	-1.1%
A18	22,696	244,290,938	\$8,260,119	\$9,289,692	\$1,029,573	12.5%
A32	2,497	81,400,283	\$2,256,004	\$3,003,115	\$747,111	33.1%
A60	31,770	193,727,463	\$4,342,319	\$4,391,249	\$48,929	1.1%
B62	2	179,624,800	\$1,204,025	\$1,095,076	(\$108,949)	-9.0%
C06	42,218	504,106,928	\$22,371,644	\$21,072,324	(\$1,299,320)	-5.8%
E30	13	1,815,905	\$29,896	\$38,445	\$8,549	28.6%
E40	17	7,662,854	\$130,125	\$139,484	\$9,359	7.2%
G02	6,641	1,051,839,603	\$27,053,691	\$28,659,200	\$1,605,509	5.9%
G22	2,691	382,207,580	10,365,711	10,037,374	(328,337)	-24.6%
G32	948	2,064,808,881	\$32,656,282	\$31,400,218	(\$1,256,063)	-3.8%
G62	11	319,408,200	\$3,488,945	\$3,731,933	\$242,988	7.0%
M1	3	798,000	\$126,000	\$126,000	\$0	0.0%
N01	1	115,074,000	\$724,558	\$641,758	(\$82,800)	-11.4%
R02	614	4,578,720	\$39,698	\$122,924	\$83,227	209.7% (1)
Str	399	69,232,941	\$9,133,059	\$9,404,225	\$271,166	3.0%
T-Res	193	9,104,037	\$222,563	\$333,120	\$110,557	49.7%
T-Comm	74	8,511,171	\$198,186	\$311,645	\$113,459	57.2%
V02	227	6,449,297	\$217,241	\$164,550	(\$52,691)	-24.3%
X01	<u>1</u>	<u>25,666,200</u>	<u>\$221,638</u>	<u>\$221,638</u>	<u>\$0</u>	<u>0.0%</u>
Total	470,255	7,694,091,648	\$222,297,400	\$222,300,490	\$3,090	0.0%

(1) Company is proposing a 5-year phase in of the rates for this class. Revenue increase represents the average increase over the 5-year period.

- (a) Schedule JAL-4, Page 1, Column (a) ÷ 12
- (b) Schedule JAL-4, Page 1, Column (i)
- (c) Schedule JAL-4, Page 1, Column (m)
- (d) Schedule JAL-6



THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

**Schedule JAL-6**  
**Calculation of Proposed Rates**

File: S:\RADATA1\2004 neco\ACOS\[rate.design.xls]A16

The Narragansett Electric Company Proposed Rate Design
<b>A-16 - Residential</b>

**Section 1. Present and Proposed Revenues**

		Units (a)	Present Revenues (b)	Units (c)	Proposed Rates (d)	Proposed Revenues (e)		
<u>Customer Charges</u>	A16 - Basic Res	4,310,866	\$10,949,600	4,310,866	\$2.54	\$10,949,600		
	A18 - Water Heating	272,352	\$686,327	272,352	\$2.54	\$691,774		
	A32 - Time-of-Use	29,962	(\$35,352)	29,962	\$2.54	\$76,103		
	A60 - Low Income	381,234	\$0	381,234	\$0.00	\$0	(1)	
	E30 - Storage Heating	156	\$1,176	156	\$2.54	\$396		
	T06- All Electric	2,313	\$18,134	2,313	\$2.54	\$5,875		
		4,996,883	\$11,619,885	4,996,883		\$11,723,748		
<u>Customer Charge Prorate Revenue</u>	A16 - Basic Res	0.291%	\$31,890	0.291%		\$31,890		
	A18 - Water Heating	0.532%	\$3,648	0.532%		\$3,677		
	A32 - Time-of-Use	0.882%	\$608	0.882%		\$671		
	A60 - Low Income	0.000%	\$0	0.000%		\$0		
	E30 - Storage Heating	1.473%	(\$8)	1.473%		\$6		
	T06- All Electric	-0.765%	(\$139)	-0.765%		(\$45)		
			\$35,999			\$36,199		
<u>kWh Charges</u>	A16 - Basic Res	2,423,783,847	\$88,274,208	2,423,783,847	\$0.03595	\$87,135,029		
	A18 - Water Heating	244,290,938	\$8,638,128	244,290,938	\$0.03595	\$8,782,259		
	A32 - Time-of-Use	81,400,283	\$2,186,484	81,400,283	\$0.03595	\$2,926,340		
	A60 - Low Income - 1st Block	143,117,540	\$4,828,802	143,117,540	\$0.01797	\$2,571,822	(1)	
	A60 - Low Income - 2nd Block	50,609,923		50,609,923	\$0.03595	\$1,819,427	(1)	
	E30 - Storage Heating	1,815,905	\$28,728	1,815,905	\$0.03595	\$65,282		
	T06- All Electric	9,104,037	\$204,568	9,104,037	\$0.03595	\$327,290		
		2,954,122,473	\$104,160,916	2,954,122,473		\$103,627,450		
<u>Other Charges and Credits</u>	A18 Water Heating Credit		(\$1,067,984)	A-18 Water Heating Credit		(\$188,018)		
	A62 Water Heating Credit		(\$55,444)	E-30 Credit		(\$27,239)		
	A32 Meter Charge		\$104,265					
	Low Income Credit		(\$431,039)					
			(\$1,450,202)					
<u>Total Revenue</u>	A16 - Basic Res		\$99,255,698			\$98,116,519	Revenue Difference (f)	Percentage Difference (g)
	A18 - Water Heating		\$8,260,119			\$9,289,692	(\$1,139,178)	-1.15%
	A32 - Time-of-Use		\$2,256,004			\$1,029,573	\$1,029,573	12.46%
	A60 - Low Income - 2nd Block		\$4,342,319			\$3,003,115	\$747,111	33.12%
	E30 - Storage Heating		\$29,896			\$4,391,249	\$48,929	1.13%
	T06- All Electric		\$222,563			\$38,445	\$8,549	28.60%
			\$114,366,599			\$333,120	\$110,557	49.67%
						\$115,172,140	\$805,542	0.70%

(1) Low Income Charges calculated on Page 2

(a) Schedule JAL-4, Page 1

(b) Schedule JAL-4, Page 1 and Workpaper 2, Pages 2-12

(c) Column (a)

(d) Section 2

(e) Column (c) x Column (d)

(f) Column (d) - Column (b)

(g) Column (f) ÷ Column (b)

**Section 2. Proposed Rate Design:**

From Allocated

<u>Revenue Requirement</u>	<u>COS</u> (h)
Rate A16/A60	\$104,187,890
Rate A18	\$8,349,589
Rate A32/34	\$2,389,612
Rate E30	\$32,796
Rate T06	\$226,131
Class Revenue Requirement	\$115,186,018

**Calculation of Residential Rate A-16:**

	Charges	Units (2)	Revenue
Customer Charge	\$2.54	4,615,649	\$11,723,748
Customer Charge Proration Adjustment			\$36,199
Water Heating Credit (3)	(\$0.00661)	28,444,517	(\$188,018)
E-30 Credit	(\$0.01500)	1,815,905	(\$27,239)
Subtotal			\$11,544,691

Remaining Revenue Requirement..... \$103,641,327

less: Low Income Revenue (page 2)..... \$4,391,249

kWh Charge Revenue less Low Income ..... \$99,250,078.09

divided by: kWhs (2)..... 2,760,395,010

kWh Charge..... \$0.03595

<b>Revenue Proof:</b>	
Revenue Requirement	\$115,186,018
Proposed Revenue	\$115,172,140
Difference	\$13,877

(h) Schedule JAL-1, Page 1 of 20, Line (11)

(2) Units exclude Low Income Rate A-60 billing units

(3) Water Heating Credit will apply to customer participating in Home Energy Management Program only.

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Date: 06/06/2004 10:29

The Narragansett Electric Company  
Proposed Rate Design

**A-60 - Low Income Residential**

**Design Determinants**

Billing Units for non-LIHEAP Rate A-60 Customers

	<u>non-LIHEAP</u>	<u>Total Class</u>
Number of Bills	125,752	381,234
First 500 kWhs (1)	51,162,741	143,117,540
kWhs in excess of 500	<u>18,092,418</u>	<u>50,609,923</u>
Total kWhs	69,255,159	193,727,463

(1) Based on Test Year billing data

**Calculation of Charges**

Customer Charge	\$0.00
Rate A16 kWh Charge	\$0.03595
Proposed % Discount for Initial Block	<u>50%</u>
Proposed Initial Block Charge	\$0.01797
Tail Block Charge	\$0.03595

**Calculation of Subsidy - non-LIHEAP Customers**

<u>Rate A-60 Revenues</u>	<u>Units</u>	<u>Charges</u>	<u>Revenues</u>	
Customer Charge	125,752	\$0.00	\$0	
Initial Block Charge	51,162,741	\$0.01797	\$919,394	
Tail Block Charge	18,092,418	\$0.03595	<u>\$650,422</u>	
Revenue on Rate A-60				\$1,569,817
<u>Rate A-16 Revenues</u>	<u>Units</u>	<u>Charges</u>	<u>Revenues</u>	
Rate A16 Customer Charge	125,752	\$2.54	\$319,410	
Rate A16 kWh Charge	69,255,159	\$0.03595	<u>\$2,489,723</u>	
Revenue on A16				<u>\$2,809,133</u>
		Subsidy (non-LIHEAP Customers).....		\$1,239,316

**Calculation of Subsidy - LIHEAP and non-LIHEAP Customers**

<u>Rate A-60 Revenues</u>	<u>Units</u>	<u>Charges</u>	<u>Revenues</u>	
Customer Charge	381,234	\$0.00	\$0	
Initial Block Charge	143,117,540	\$0.01797	\$2,571,822	
Tail Block Charge	50,609,923	\$0.03595	<u>\$1,819,427</u>	
Revenue on Rate A-60				\$4,391,249
<u>Rate A-16 Revenues</u>	<u>Units</u>	<u>Charges</u>	<u>Revenues</u>	
Rate A16 Customer Charge	381,234	\$2.54	\$968,334	
Rate A16 kWh Charge	193,727,463	\$0.03595	<u>\$6,964,502</u>	
Revenue on A16				<u>\$7,932,837</u>
		Subsidy (All Customers).....		\$3,541,588
		Subsidy (LIHEAP ONLY) .....		\$2,302,272

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The Narragansett Electric Company  
Proposed Rate Design**C-06 - Small C&I****Section 1. Present and Proposed Revenues**

		Units (a)	Present Revenues (b)	Units (c)	Proposed Rates (d)	Proposed Revenues (e)		
<u>Customer Charge</u>	C06 - Small C&I	503,089	\$2,730,557	503,089	\$5.73	\$2,882,700		
	T08 - All Electric	889	\$6,970	889	\$5.73	\$5,094		
	E40 - Cooling (1)	53	\$3,983	-	\$0.00	\$0		
	V02 - Space Heat (2)	2,282	\$17,914	-	\$0.00	\$0		
		506,313	\$2,759,424	503,978		\$2,887,794		
<u>Customer Charge Prorate Revenue</u>	C06 - Small C&I	0.875%	\$23,962	0.875%		\$25,238		
	T08 - All Electric	-0.428%	(\$30)	-0.428%		(\$22)		
	E40 - Cooling (1)	1.473%	\$59	1.473%		\$0		
	V02 - Space Heat (2)	-0.228%	(\$41)	-0.228%		\$0		
			\$23,951			\$25,216		
<u>Unmetered Charge</u>	C08 - C&I Unmetered	3,527	\$6,454	3,527	\$1.83	\$6,454		
<u>kWh Charge</u>	C06 - Small C&I	504,106,928	\$19,610,670	504,106,928	\$0.03602	\$18,157,932		
	T08 - All Electric	8,511,171	\$191,246	8,511,171	\$0.03602	\$306,572		
	E40 - Cooling (1)	2,924,760	\$43,670	2,924,760	\$0.03602	\$105,350		
	V02 - Space Heat (2)	3,902,160	\$118,548	3,902,160	\$0.03602	\$140,556		
		519,445,019	\$19,964,134	519,445,019		\$18,710,410		
<u>Other Charges and Credits</u>							Revenue Difference (f)	Percentage Difference (g)
<u>Total Revenue</u>	C06 - Small C&I		\$22,371,644			\$21,072,324	(\$1,299,320)	-5.81%
	T08 - All Electric		\$198,186			\$311,645	\$113,459	57.25%
	E40 - Cooling (1)		\$47,712			\$105,350	\$57,638	120.80%
	V02 - Space Heat (2)		\$136,421			\$140,556	\$4,135	3.03%
			\$22,753,963			\$21,629,874	(\$1,124,089)	-4.94%
	(a) Schedule JAL-4, Page 1							
	(b) Schedule JAL-4, Page 1 and Workpaper 2, Pages 2-12							
	(c) Column (a)							
	(d) Section 2							
	(e) Column (c) x Column (d)							
	(f) Column (d) - Column (b)							
	(g) Column (f) ÷ Column (b)							

**Section 2. Proposed Rate Design:**

Revenue Requirement	From Allocated COS (h)
Rate C06/C08	\$21,399,652
Rate T08	\$183,680
Rate E40 (1)	\$42,087
Rate V02 (1)	\$131,659
Subtotal	\$21,757,078
less: Rate R-02 Rev Requirement (2)	\$122,924
C-06 Class Revenue Requirement	\$21,634,154

**Calculation of Rates**

	Units	Charges	Revenue
Customer Charge	503,978	\$5.73	\$2,887,794
Customer Charge Proration Adjustment			\$25,216
Unmetered Charge	3,527	\$1.83	\$6,454
Total Customer Charge Revenue			\$2,919,464
Remaining Revenue Requirement.....			\$18,714,689
divided by: kWhs.....			519,445,019
kWhs Charge.....			\$0.03602

Revenue Proof:	
Revenue Requirement	\$21,634,154
Proposed Revenue	\$21,629,874
Difference	\$4,280

(h) Schedule JAL-1, Page 1 of 20, Line (11)

(1) page 7

(2) Rates for R-02 are designed separately on Page 4.



The Narragansett Electric Company  
Proposed Rate Design

**5-Year Phase in - Rate R-02**Calculation of kWh Charges - R-02

1. C-06 Unmetered Charge	\$1.83
2. Estimated Annual Increase Over 5 Years (Line 1 ÷ 5)	\$0.37
3. R-02 Current kWh Charge	\$0.00867
4. Proposed C-06 kWh Charge	\$0.03602
5. Difference	\$0.02735
6. Estimated Annual Increase in kWh Charge Over 5 Years (Line 5 ÷ 5)	\$0.00547

7. Current Charge	0.00867 per kWh		Current Charge	\$0.00 per month		Incremental Annual R-02 Revenue	Total Annual R-02 Revenue
8. 2005 kWh Charge	\$0.01414 per kWh	(Line 7. + Line 6.)	2005 Cust Charge	\$0.37 per month	(Line 7. + Line 2.)	\$27,742	\$67,440
9. 2006 kWh Charge	\$0.01961 per kWh	(Line 8. + Line 6.)	2006 Cust Charge	\$0.73 per month	(Line 8. + Line 2.)	\$55,485	\$95,182
10. 2007 kWh Charge	\$0.02508 per kWh	(Line 9. + Line 6.)	2007 Cust Charge	\$1.10 per month	(Line 9. + Line 2.)	\$83,227	\$122,924
11. 2008 kWh Charge	\$0.03055 per kWh	(Line 10. + Line 6.)	2008 Cust Charge	\$1.46 per month	(Line 10. + Line 2.)	\$110,969	\$150,667
12. 2009 kWh Charge	\$0.03602 per kWh	(Line 11. + Line 6.)	2009 Cust Charge	\$1.83 per month	(Line 11. + Line 2.)	<u>\$138,711</u>	<u>\$178,409</u>
13.					Average Annual Increase	\$83,227	\$122,924

Calculation of kWh Charges - C-06

14. Increase in R-02 revenues in final year of phase-in	138,711 (Line 12)
15. C-06 kWh deliveries	<u>519,445,019 (Page 2)</u>
16. C-06 kWh Charge Adder for 2005	\$0.00026
17. Estimated Annual Decrease in kWh Charge	\$0.00007 (Line 16 ÷ 4)

	Year	C-06 kWh Charge as Calculated (a)	Adder for 2005 (b)	C-06 kWh Charge for 2005 (c)=(a) + (b)	Annual Decrease to kWh Charge (d)=Line 17.	Rate C-06 kWh Charge (e)
18.	2005	\$0.03602	\$0.00026	\$0.03628		
19.	2006				\$0.00007	\$0.03622
20.	2007				\$0.00007	\$0.03615
21.	2008				\$0.00007	\$0.03609
22.	2009				\$0.00007	\$0.03602

(a) Page 3

(b) Sum of Line 8-12 for Annual R-02 Revenue

(c) Previous year's charge - column (d)

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The Narragansett Electric Company  
Proposed Rate Design**G-02 - General C&I****Section 1. Present and Proposed Revenues**

		Units (a)	Present Revenues (b)	Units (c)	Proposed Rates (d)	Proposed Revenues (e)		
<u>Customer Charge</u>	G02 - General C&I	79,687	\$8,240,433	79,687	\$103.41	\$8,240,433		
	E40 - Cooling (1)	60	\$4,509	-	\$0.00	\$0		
	V02 - Space Heat (1)	439	\$3,446	-	\$0.00	\$0		
	G22 - Med C&I (1)	30,965	\$0	30,965	\$103.41	\$3,202,091		
		111,151	\$8,248,388	110,652		\$11,442,523		
<u>Customer Charge Prorate Revenue</u>	G02 - General C&I	-0.275%	(\$22,698)	-0.275%		(\$22,698)		
	E40 - Cooling (1)	1.473%	\$66	1.473%		\$0		
	V02 - Space Heat (1)	-0.228%	(\$8)	-0.228%		\$0		
			(\$22,640)			(\$22,698)		
<u>Demand Charge</u>	G02 - General C&I	2,875,189.7	\$8,366,802	2,875,189.7	\$3.63	\$10,436,939		
	E40 - Cooling (1)	-	\$0	-	\$0.00	\$0		
	V02 - Space Heat (1)	-	\$0	-	\$0.00	\$0		
	G22 - Med C&I (1)	946,926.4	\$1,420,390	637,276.4	\$3.63	\$2,313,313		
	Adj. to Demand (2)	-	\$0	7,551.5	\$3.63	\$27,412		
		3,822,116	\$9,787,192	3,520,018		\$12,777,664		
<u>Demand Charge Prorate Revenue</u>	G02 - General C&I	0.887%	\$74,236	0.887%		\$92,603		
	G22 - Med C&I (1)	0.636%	\$9,035	0.636%		\$14,715		
			\$83,271			\$107,318		
<u>kWh Charge</u>	G02 - General C&I	1,051,839,603	\$10,417,048	1,051,839,603	\$0.00942	\$9,908,329		
	E40 - Cooling (1)	2,100,324	\$31,874	2,100,324	\$0.00942	\$19,785		
	V02 - Space Heat (1)	2,547,137	\$77,382	2,547,137	\$0.00942	\$23,994		
	G22 - Med C&I (1)	281,076,800	\$6,225,851	281,076,800	\$0.00942	\$2,647,743		
		1,337,563,864	\$16,752,154	1,337,563,864		\$12,599,852		
<u>Other Charges and Credits</u>	HVD - G02	47,149.9	(\$17,445)		47,149.9	(\$17,445)		
	HVM - G02	-0.017%	(\$4,684)		-0.017%	(\$6,372)		
	G22 Power Factor Credit		\$0			\$0		
			(\$22,129)			(\$23,817)	Revenue Difference (f)	Percentage Difference (g)
<u>Total Revenue</u>	G02 - General C&I		\$27,053,691			\$28,659,200	\$1,605,509	5.93%
	E40 - Cooling (1)		\$36,449			\$19,785	(\$16,664)	-45.72%
	V02 - Space Heat (1)		\$80,820			\$23,994	(\$56,826)	-70.31%
	G22 - Med C&I (1)		\$7,655,276			\$8,177,862	\$522,587	6.83%
			\$34,826,236			\$36,880,841	\$2,054,606	5.90%
(1) Pages 8-10								
(2) Page 14								
(a) Schedule JAL-4, Page 1								
(b) Schedule JAL-4, Page 1 and Workpaper 2, Pages 2-12								
(c) Column (a)								
(d) Section 2								
(e) Column (c) x Column (d)								
(f) Column (d) - Column (b)								
(g) Column (f) ÷ Column (b)								

**Section 2. Proposed Rate Design:**

Revenue Requirement	From Allocated COS (h)	Units	Charges	Revenue	
Rate G02	\$28,261,488				
Rate G22 (3)	\$8,496,952				
Rate V02 (3)	\$85,940				
Rate E40 (3)	\$30,224				
	\$36,874,604				
<u>Calculation of Charges</u>					
Customer Charge		110,652	\$103.41	\$11,442,523	
Customer Charge Proration Adjustment				(\$22,698)	
Distribution kW Charge (kW>10kW)		3,520,018	\$3.63	\$12,777,664	
Demand Charge Proration Adjustment				\$107,318	
HVD Credit (4)		47,149.9	(\$0.37)	(\$17,445)	
HVM Credit (4)	-0.0173%		-1.0%	(\$6,372)	
Revenue from Customer and Demand Charges.....				\$24,280,990	
Remaining Revenue Requirement.....				12,593,614	
divided by: kWhs.....				1,337,563,864	
kWh Charge.....				\$0.00942	
					Revenue Proof:
					Revenue Requirement
					Proposed Revenue
					Difference

(h) Schedule JAL-1, Page 1 of 20, Line (11)

(3) Pages 8-10

(4) Estimated from 2003 Test Year Billing Data

File: S:\RADATA1\2004 neco\ACOS\[rate.design.xls]G32

The Narragansett Electric Company Proposed Rate Design						
G-32 - 200kW Demand Rate						
Section 1. Present and Proposed Revenues						
		Units (a)	Present Revenues (b)	Proposed Units (c)	Proposed Rates (d)	Proposed Revenues (e)
Customer Charge	G32 - 200kW Demand	11,373	\$2,611,798	11,373	\$236.43	\$2,688,918
	E-40 - Cooling (1)	93	\$6,989	-	\$0.00	\$0
	G-22 - Med C&I (1)	1,332	\$0	1,332	\$236.43	\$314,925
		12,798	\$2,618,787	12,705		\$3,003,843
Customer Charge Prorate Revenue	G32 - 200kW Demand	2.551%	\$68,595	2.551%		\$68,595
	E-40 - Cooling (1)	1.473%	\$103	1.473%		\$0
			\$68,698			\$68,595
Demand Charge	G32 - 200kW Demand	5,649,213.5	\$8,812,773	5,649,213.5	\$3.12	\$17,625,546
	E-40 - Cooling (1)	-	\$0	-	\$0.00	\$0
	G-22 - Med C&I (1)	317,484.2	\$476,226	317,484.2	\$3.12	\$990,551
	Adj. to Demand(2)	-	\$0	195,746.0	\$3.12	\$610,728
		5,966,697.7	\$9,288,999	6,162,443.7		\$19,226,824
Demand Charge Prorate Revenue	G32 - 200kW Demand	0.377%	\$33,186	0.377%		\$66,371
	G-22 - Med C&I (1)	0.636%	\$3,029	0.636%		\$3,885
			\$36,215			\$70,256
kWh Charge	G32 - 200kW Demand	2,064,808,881	\$22,026,286	2,064,808,881	\$0.00544	\$11,232,560
	E-40 - Cooling (1)	2,637,770	\$38,872	2,637,770	\$0.00544	\$14,349
	G-22 - Med C&I (1)	101,130,780	\$2,240,047	101,130,780	\$0.00544	\$550,151
		2,168,577,431	\$24,305,205	2,168,577,431		\$11,797,061
Other Charges and Credits	HVD - G32	1,565,367.8	(\$579,186)		1,565,367.8	(\$579,186)
	HVD - 115kV - G32	126,601.6	(\$270,927)		126,601.6	(\$270,927)
	HVM - G32	-0.359%	(\$123,363)		-0.359%	(\$119,507)
	G22 Power Factor Credit		(\$8,867)			
	Second Feeder Service Revs		\$77,120			\$77,120
			(\$905,224)			(\$892,500)
Total Revenue	G32 - 200kW Demand		\$32,656,282			\$31,400,218
	E-40 - Cooling (1)		\$45,964			\$14,349
	G-22 - Med C&I (1)		\$2,710,435			\$1,859,512
			\$35,412,681			\$33,274,079
						(\$2,138,601)
	(1) Pages 8-10					
	(2) Page 14					
	(a) Schedule JAL-4, Page 1					
	(b) Schedule JAL-4, Page 1 and Workpaper 2, Pages 2-12					
	(c) Column (a)					
	(d) Section 2					
	(e) Column (c) x Column (d)					
	(f) Column (d) - Column (b)					
	(g) Column (f) ÷ Column (b)					

## Section 2. Proposed Rate Design:

Revenue Requirement	From Allocated COS (h)
Rate G32	\$30,516,160
Rate G22 (3)	\$3,057,183
Rate E40 (3)	\$37,958
Total	\$33,611,301
less: Rate M-1 and X-01 Revenues (4)	\$347,638
Revenue Requirement	\$33,263,663

## Calculation of Charges

	Units	Charges	Revenue
Customer Charge	12,705	\$236.43	\$3,003,843
Customer Charge Proration Adjustment			\$68,595
Second Feeder Service	32,000	\$2.41	\$77,120
Distribution kW Charge	6,162,444	\$3.12	\$19,226,824
Demand Charge Proration Adjustment			\$70,256
HVD Credit (5)	1,565,368	(\$0.37)	(\$579,186)
HVD Credit (5)	126,602	(\$2.14)	(\$270,927)
HVM Credit (5)	-0.3593%	-1.0%	(\$119,507)

Revenue from Customer and Demand Charges..... \$21,477,018

Remaining Revenue Requirement..... \$11,786,645

divided by: kWhs..... 2,168,577,431

kWh Charge..... \$0.00544

Revenue Proof:	
Revenue Requirement	\$33,263,663
Proposed Revenue	\$33,274,079
Difference	(\$10,416)

(h) Schedule JAL-1, Page 1 of 20, Line (11)

(3) Pages 8-10

(4) Rates X-01 and M-1 are separate tariffs and charges are not designed as part of Rate G-32

File: S:\RADATA\1\2004 neco\ACOS\rate.design.xls\G62

The Narragansett Electric Company  
Proposed Rate Design**G-62 - 3000kW Demand Rate****Section 1. Present and Proposed Revenues**

		Units (a)	Present Revenues (b)	Proposed Units (c)	Proposed Rates (d)	Proposed Revenues (e)		
<u>Customer Charge</u>	G62 - 3000kW Demand	133	\$2,276,790	133	\$17,118.72	\$2,276,790		
	B62 - Backup Service	22	\$376,612	22	17118.72	\$376,612		
	N01 - 69kV	12	\$205,425 (1)	12	17118.72	\$205,425		
		167	\$2,858,826	167		\$2,858,826		
<u>Customer Charge Prorate Revenue</u>	G62 - 3000kW Demand	-1.49%	(\$33,861)	-1.49%		(\$33,861)		
	B62 - Backup Service	2.73%	\$10,272	2.73%		\$10,272		
	N01 - 69kV	0.00%	\$0 (1)	0.00%		\$0		
			(\$23,589)			(\$23,589)		
<u>Demand Charge</u>	G62 - 3000kW Demand	658,800	\$494,100	658,800	\$2.48	\$1,633,824		
	B62 - Backup Service	310,572	\$232,929	310,572	\$2.48	\$770,219		
	N01 - 69kV	214,470	\$160,853 (1)	214,470	\$2.48	\$531,886		
	Adj. to Demand (2)	-	\$0	34,230	\$2.48	\$84,891		
		1,183,842	\$887,882	1,218,072		\$2,935,929		
<u>Demand Charge Prorate Revenue</u>	G62 - 3000kW Demand	1.416%	\$6,997	1.416%		\$23,136		
	B62 - Backup Service	0.000%	\$0	0.000%		\$0		
	N01 - 69kV	0.000%	\$0 (1)	0.000%		\$0		
			\$6,997			\$23,136		
<u>kWh Charge</u>	G62 - 3000kW Demand	319,408,200	\$993,123	319,408,200	\$0.00000	\$0		
	B62 - Backup Service	179,624,800	\$649,984	173,934	\$0.00000	\$0		
	N01 - 69kV	115,074,000	\$455,693 (1)	115,074,000	\$0.00000	\$0		
		614,107,000	\$2,098,800	434,656,134		\$0		
<u>Other Charges and Credits</u>	HVD - G62	545,040.5	(\$201,665)		545,040.5	(\$201,665)		
	HVD - B62	104,643.0	(\$38,718)		104,643.0	(\$38,718)		
	HVD - N01	214,470.0	(\$79,354) (1)		214,470.0	(\$79,354)		
	HVM - G62	-1.161%	(\$46,539)		-1.161%	(\$51,182)		
	HVM - B62	-2.032%	(\$27,054)		-2.032%	(\$23,308)		
	HVM - N01	-2.197%	(\$18,059) (1)		-2.197%	(\$16,199)		
			(\$411,388)			(\$410,426)	Revenue Difference (f)	Percentage Difference (g)
<u>Total Revenue</u>	G62 - 3000kW Demand		\$3,488,945			\$3,731,933	\$242,988	6.96%
	B62 - Backup Service		\$1,204,025			\$1,095,076	(\$108,949)	-9.05%
	N01 - 69kV		\$724,558			\$641,758	(\$82,800)	-11.43%
			\$5,417,527			\$5,468,767	\$51,240	0.95%
(1) Workpaper 2, Page 12 of 12								
(2) Page 14								
(a) Schedule JAL-4, Page 1								
(b) Schedule JAL-4, Page 1 and Workpaper 2, Pages 2-12								
(c) Column (a)								
(d) Section 2								
(e) Column (c) x Column (d)								
(f) Column (d) - Column (b)								
(g) Column (f) ÷ Column (b)								

**Section 2. Proposed Rate Design:**

<u>Revenue Requirement</u>	From Allocated COS (h)
Rate G62/B62/N01	\$5,464,394

**Calculation of Charges**

	Units	Charges	Revenue
Customer Charge	167	\$17,118.72	\$2,858,826
Customer Charge Proration Adjustment			(\$23,589)
Distribution kW Charge	1,218,072	\$2.48	\$3,020,820
Demand Charge Proration Adjustment			\$23,136
HVD Credit (3)	864,154	(\$0.37)	(\$319,737)
HVD Credit - 115kV (3)	-	(\$2.14)	\$0
HVM Credit (3)	-1.5679%	-1.0%	(\$90,689)

Revenue from Customer and Demand Charges..... \$5,468,767

Remaining Revenue Requirement..... (\$4,373)

divided by: kWhs..... 434,656,134

kWh Charge..... \$0.00000

(h) Schedule JAL-1, Page 1 of 20, Line (11)

(3) Estimated from 2003 Test Year Billing Data

Revenue Proof:	
Revenue Requirement	\$5,464,394
Proposed Revenue	\$5,468,767
Difference	(\$4,373)

File: S:\RADATA\1\2004 neco\ACOS\[rate.design.xls]Reallocation  
Date: 06/06/2004 10:29

The Narragansett Electric Company  
Proposed Rate Design  
Reallocation of Billing Units and Revenues for Rates V-02, E-40 and G-22

Rate V-02 Space Heating

1	Revenue Requirement (1)	\$217,615
2	divided by: Test Year kWhs (2)	<u>6,449,297</u>
3		
4	Average Revenue Requirement	\$0.03374

6 Allocation of Test Year billing Determinants and Revenue Requirement

8		Number of		Revenue
9	<u>New Class</u>	<u>Bills (3)</u>	<u>kWhs (3)</u>	<u>Requirement</u>
10		(a)	(b)	(c)=Line 4 x (b)
11	C06	2,282	3,902,160	\$131,659
12	G02	<u>439</u>	<u>2,547,137</u>	<u>\$85,940</u>
13				
14	Total	2,721	6,449,297	\$217,599

16 Present Revenues

17		<u>Units (3)</u>	<u>Charges (3)</u>	<u>Revenues</u>	<u>Prorated Customer</u>	<u>Calculated Charge</u>
18	<u>New Class</u>				<u>Charge Revs (3)</u>	<u>plus Prorated Rev</u>
19		(a)	(b)	(c)= (a) x (b)	(d)	(e)=(c) + (d)
20	Customer Charge	C06	2,282	\$7.85	\$17,914	\$17,873
21		G02	<u>439</u>	<u>\$7.85</u>	<u>\$3,446</u>	<u>\$3,438</u>
22						
23	Total Customer	2,721		\$21,360	(\$49)	\$21,311

24		<u>Units (3)</u>	<u>Charges (3)</u>	<u>Revenues</u>
25	<u>New Class</u>			
26		(a)	(b)	(c)= (a) x (b)
27	kWhs Charge	C06	3,902,160	\$0.03038
28		G02	<u>2,547,137</u>	<u>\$0.03038</u>
29				
30	Total kWh Charge	6,449,297		\$195,930

<u>Check Total:</u>	
Total Test Year Revenue.....	\$217,241
Total Calculated Revenue (w/Prorates).....	<u>\$217,241</u>
Difference.....	\$0

(1) Schedule JAL-1, Page 1, Line (11), Column (12)  
(2) Shcedule JAL-4, Page 1, Column (i)  
(3) Workpaper 2, Pages 2-12. Assigned to new rate class based on individual customer usage.

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Date: 06/06/2004 10:29

The Narragansett Electric Company  
Proposed Rate Design  
Reallocation of Billing Units and Revenues for Rates V-02, E-40 and G-22

Rate E-40 - Storage Cooling

1	Revenue Requirement (1)	\$110,292
2	divided by: Test Year kWhs (2)	<u>7,662,854</u>
3		
4	Average Revenue Requirement	\$0.01439
5		

6 Allocation of Test Year billing Determinants and Revenue Requirement

9	New Class	Number of Bills (3)	Peak kWhs(3)	Off Peak kWhs(3)	Total kWhs (d)=(b)+(c)	Revenue Requirement (e)=Line 4 x (d)
10		(a)	(b)	(c)	(d)	(e)
11	C06	53	1,002,803	1,921,957	2,924,760	\$42,087
12	G02	60	752,454	1,347,870	2,100,324	\$30,224
13	G32	<u>93</u>	<u>872,081</u>	<u>1,765,689</u>	<u>2,637,770</u>	<u>\$37,958</u>
14						
15	Total	206	2,627,338	5,035,516	7,662,854	\$110,268

17 Present Revenues

19	New Class	Units (3)	Charges (3)	Revenues	Prorated Customer Charge Revs (3)	Calculated Charge plus Prorated Rev
20		(a)	(b)	(c)= (a) x (b)	(d)	(e)=(c) + (d)
21	Customer Charge	C06	53	\$75.15	\$3,983	\$58.66
22		G02	60	\$75.15	\$4,509	\$66.41
23		G32	<u>93</u>	<u>\$75.15</u>	<u>\$6,989</u>	<u>\$102.93</u>
24						
25	Total Customer	206		\$15,481	\$228.00	\$15,709

27	New Class	Peak kWhs (3)	Charge (3)	Revenues	Offpeak kWhs (3)	Charge (3)	Revenues	Total Rev
28		(a)	(b)	(c)= (a) x (b)	(d)	(e)	(f)= (d) x (e)	(g)=(c)+(f)
29	kWhs Charge	C06	1,002,803	\$0.02536	1,921,957	0.00949	\$18,239	\$43,670
30		G02	752,454	\$0.02536	1,347,870	0.00949	\$12,791	\$31,874
31		G32	<u>872,081</u>	<u>\$0.02536</u>	<u>1,765,689</u>	<u>0.00949</u>	<u>\$16,756</u>	<u>\$38,872</u>
32								
33	Total kWh	2,627,338		\$66,629	5,035,516		\$47,787	\$114,416

<u>Check Total:</u>	
Total Test Year Revenue.....	\$130,125
Total Calculated Revenue (w/Prorates).....	<u>\$130,125</u>
Difference.....	\$0

(1) Schedule JAL-1, Page 1, Line (11), Column (12)  
(2) Schedule JAL-4, Page 1, Column (i)  
(3) Workpaper 2, Pages 2-12. Assigned to new rate class based on individual customer usage.

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Date: 06/06/2004 10:29

The Narragansett Electric Company  
Proposed Rate Design  
Reallocation of Billing Units and Revenues for Rates V-02, E-40 and G-22

Rate G-22 - Limited Medium C&I

1	Revenue Requirement (1)	\$11,555,190
2	divided by: Test Year kWhs (2)	<u>382,207,580</u>
3		
4	Average Revenue Requirement	\$0.03023
5		

6 Allocation of Test Year billing Determinants and Revenue Requirement

	New Class	Number of Bills (3)	kWhs (3)	Demand (3)	Revenue Requirement (d)=Line 4 x (b)	Demand >10kW (a)=(c) - ((b) x 10 kW)
8		(a)	(b)	(c)		
9						
10						
11	G02	30,965	281,076,800	946,926.4	\$8,496,952	637,276.4
12	G32	<u>1,332</u>	<u>101,130,780</u>	<u>317,484.2</u>	<u>\$3,057,183</u>	
13						
14	Total	32,297	382,207,580	1,264,410.6	\$11,554,135	
15						

16 Present Revenues - G-22

	New Class	Units (3)	Charges (3)	Revenues
17		(a)	(b)	(c)=(a) x (b)
18				
19				
20	Customer Charge	G02	30,965	\$0.00
21		G32	<u>1,332</u>	<u>\$0.00</u>
22				
23	Total Customer	32,297		\$0
24				

	New Class	Units (3)	Charges (3)	Revenues	Power Factor Credits (3)	Prorated Demand Charge Revs	Calculated Charge plus Prorated Rev
25		(a)	(b)	(c)=(a) x (b)	(d)	(e)	(f)=(c) + (e)
26							
27	Demand Charge	G02	946,926	\$1.50		\$9.035	\$1,429,425
28		G32	<u>317,484</u>	<u>\$1.50</u>	<u>\$476,226</u>	<u>\$3,029</u>	<u>\$470,388</u>
29							
30	Total Demand	1,264,411		\$1,896,616	(\$8,867)	\$12,064	\$1,899,813
31							

	New Class	Units (3)	Charges (3)	Revenues
32		(a)	(b)	(c)=(a) x (b)
33				
34	kWhs Charge	G02	281,076,800	\$0.02215
35		G32	<u>101,130,780</u>	<u>\$0.02215</u>
36				
37	Total kWh	382,207,580		\$8,465,898

<u>Check Total:</u>	
Total Test Year Revenue.....	\$10,365,711
Total Calculated Revenue (w/Prorates).....	<u>\$10,365,711</u>
Difference.....	\$0

(1) Schedule JAL-1, Page 1, Line (11), Column (12)  
(2) Schedule JAL-4, Page 1, Column (i)  
(3) Workpaper 2, Pages 2-12. Assigned to new rate class based on individual customer usage.

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The Narragansett Electric Company Proposed Rate Design <b>Streetlighting Summary</b>
--

**Section 1. Present and Proposed Revenues**

									%			
					Present Revenue		Proposed Revenue		Difference		Difference	
					(a)		(b)		(c) = (b)-(a)		(d)=(c)-(a)	
<u>Pole and Fixture Revenue</u>												
S-10					\$1,039,021		\$1,039,021					
S-14					<u>\$8,579,367</u>		<u>\$8,579,367</u>					
					\$9,618,388		\$9,618,388		\$0			
<u>Customer Charge Proration</u>												
S-10					(\$2,262)		(\$2,262)					
S-14					<u>\$21,811</u>		<u>\$21,811</u>					
					\$19,549		\$19,549		\$0			
Total Fixture and Pole Revenue w/ Customer Proration					\$9,637,937		\$9,637,937		\$0			
 <u>kWh Charge Revenue</u>												
					Present		Proposed					
					kWh		kWh					
					Charges		Charges		Revenue			
					(f)		(g)=(e) x (f)		(h)		(i)=(e) x (h)	
Annual												
kWh Use												
(e)												
Base Charge					69,232,941		\$0.00396		\$274,162		\$0.00000	
Zonal Credit - Blackstone					14,110,606		(\$0.04420)		(\$623,689)		(\$0.01326)	
Zonal Credit - Newport					5,323,893		(\$0.02918)		(\$155,351)		(\$0.00875)	
											</	

(a),(b),(e) Schedule JAL-6, Pages 12 and 13

(f) Base kWh charge set to \$0.000 and zonal credits in column (f) reduced by 70% to arrive at Section 2, Line 5

**Section 2. Proposed Rate Design:**

1. Streetlight Revenue Requirement (1)	\$9,402,911
2. S-10 Fixture and Pole Revenue w/ Customer Proration	\$1,036,759
3. S-14 Fixture and Pole Revenue w/ Customer Proration	<u>\$8,601,177</u>
4. Total Fixture and Pole Revenue	\$9,637,937
5. kWh Charge Revenue Requirement	(\$235,025)

Revenue Proof:	
Revenue Requirement	\$9,402,911
Proposed Revenue	<u>\$9,404,225</u>
Difference	(\$1,313)

1. Schedule JAL-1, Page 1 of 20, Line (11)
2. Section 1
3. Section 1
4. Line 2 + Line 3
5. Line 1 - Line 4



File: S:\RADATA1\2004 neco\ACOS\rate.design.xls\S-10

The Narragansett Electric Company Proposed Rate Design <b>Rate S-10</b>
---

**Proposed Fixture and Pole Charges**

			S-10 <u>Units</u>	Current Luminaire <u>Charge</u>	S-10 Luminaire <u>Revenue</u>
<u>Incandescent</u>	10	1,000	184	\$75.22	\$1,153
	11	2,500	0	\$67.45	\$0
	50	1,000	0	\$75.22	\$0
	Total		184		\$1,153
<u>Mercury Vapor</u>	2	8,000 Post Top	0	\$108.85	\$0
	3	4,000	2380	\$58.40	\$11,583
	4	8,000	3372	\$70.77	\$19,886
	5	22,000	1330	\$122.31	\$13,556
	6	63,000	82	\$234.25	\$1,601
	16	12,100	0	\$70.77	\$0
	17	15,000 In	0	\$122.97	\$0
	18	15,000 Out	0	\$122.97	\$0
	23	22,000 Flood	10602	\$152.08	\$134,363
	24	63,000 Flood	5805	\$262.72	\$127,091
	64	22,000 24 Hour	0	\$222.87	\$0
	90	63,000 twin	0	\$234.25	\$0
	91	15,000 twin	0	\$122.97	\$0
	92	22,000 twin	0	\$122.31	\$0
	95	22,000 twin	0	\$122.31	\$0
	96	63,000 twin	0	\$234.25	\$0
	Total		23,571		\$308,079
<u>Sodium Vapor</u>	70	4,000	789	\$62.78	\$4,128
	71	5,800	3874	\$66.28	\$21,397
	72	9,600	1642	\$72.63	\$9,938
	73	16,000	120	\$72.63	\$726
	74	27,500	1990	\$120.39	\$19,965
	75	50,000	560	\$163.46	\$7,628
	77	27,500 Flood	15557	\$143.14	\$185,569
	78	50,000 Flood	28799	\$181.37	\$435,273
	79	9,600 Post Top	96	\$78.56	\$628
	80	115,000 met hallide	516	\$181.37	\$7,799
	83	4,000	720	\$66.28	\$3,977
	84	27,500 24 Hour	0	\$172.21	\$0
	93	27,500 twin	0	\$120.39	\$0
	97	27,500 twin	0	\$120.39	\$0
	98	50,000 twin	0	\$163.46	\$0
	710	1,000 to 4,000	0	\$62.78	\$0
	711	2,500 to 4,000	0	\$62.78	\$0
	750	1,000 to 4,000	0	\$62.78	\$0
	755	600 to 4,000	0	\$62.78	\$0
	756	600 to 4,000	0	\$62.78	\$0
	Total		54,663		\$697,029
	Total Fixture Charge Revenue		78,418		\$1,006,261
<u>Poles</u>	Wood	P	3086	\$55.45	\$14,260
	Non-Metalic	R	1669	\$57.34	\$7,975
	Fiberglass<25	C	49	\$111.04	\$453
	Fiberglass>25	D	0	\$185.67	\$0
	Metal With Base T		477	\$253.37	\$10,071
	Total Pole Charge Revenue		5,281		\$32,760
	Total Fixture and Pole Revenue				\$1,039,021
	Customer Charge Proration				(\$2,262)
	Total Fixture and Pole Revenue w/ Customer Charge Proration				\$1,036,759

**Proposed kWh Charges:**

	S-10	
	Annual kWh Use	Proposed kWh Charges
		Revenue
Base Charge	11,462,624	\$0.00000 \$0
Zonal Credit - Blackstone	4,619,079	(\$0.01326) (\$61,249)
Zonal Credit - Newport	1,853,504	(\$0.00875) (\$16,226)
Hold Harmless Credits - 2003		(\$2,397)
Total Calculated Energy Charge Revenue		(\$77,475)
Total Fixture, Pole and kWh Revenue		\$959,285

File: S:\RADATA1\2004 neco\ACOS\rate.design.xls\S-14

The Narragansett Electric Company Proposed Rate Design <b>Rate S-14</b>
---

**Proposed Fixture and Pole Charges**

			S-14 Units	Current Luminaire Charge	S-14 Luminaire Revenue
<u>Incandescent</u>	10	1,000	3,940	\$75.22	\$24,697.23
	11	2,500	392	\$67.45	\$2,203.37
	50	1,000	-	\$75.22	\$0.00
	Total		4,332		\$26,900.60
<u>Mercury Vapor</u>	2	8,000 Post Top	48	\$108.85	\$435.40
	3	4,000	58,969	\$58.40	\$286,982.47
	4	8,000	11,115	\$70.77	\$65,550.71
	5	22,000	21,749	\$122.31	\$221,676.68
	6	63,000	1,020	\$234.25	\$19,911.25
	16	12,100	92	\$70.77	\$542.57
	17	15,000 In	1,119	\$122.97	\$11,466.95
	18	15,000 Out	704	\$122.97	\$7,214.24
	23	22,000 Flood	484	\$152.08	\$6,133.89
	24	63,000 Flood	100	\$262.72	\$2,189.33
	64	22,000 24 Hour	-	\$222.87	\$0.00
	90	63,000 twin	24	\$234.25	\$937.00
	91	15,000 twin	84	\$122.97	\$1,721.58
	92	22,000 twin	60	\$122.31	\$1,223.10
	95	22,000 twin	420	\$122.31	\$8,561.70
	96	63,000 twin	12	\$234.25	\$468.50
	Total		96,000		\$635,015.37
<u>Sodium Vapor</u>	70	4,000	330,661	\$62.78	\$1,729,908.13
	71	5,800	172,209	\$66.28	\$951,167.71
	72	9,600	180,852	\$72.63	\$1,094,606.73
	73	16,000	264	\$72.63	\$1,597.86
	74	27,500	201,369	\$120.39	\$2,020,234.49
	75	50,000	15,124	\$163.46	\$206,014.09
	77	27,500 Flood	3,696	\$143.14	\$44,087.12
	78	50,000 Flood	10,473	\$181.37	\$158,290.67
	79	9,600 Post Top	6,094	\$78.56	\$39,895.39
	80	115,000 met hallide	48	\$181.37	\$725.48
	83	4,000	2,388	\$66.28	\$13,189.72
	84	27,500 24 Hour	504	\$172.21	\$7,232.82
	93	27,500 twin	132	\$120.39	\$2,648.58
	97	27,500 twin	120	\$120.39	\$2,407.80
	98	50,000 twin	144	\$163.46	\$3,923.04
	710	1,000 to 4,000	127,879	\$62.78	\$669,020.30
	711	2,500 to 4,000	7,322	\$62.78	\$38,306.26
	750	1,000 to 4,000	5,904	\$62.78	\$30,887.76
	755	600 to 4,000	28,847	\$62.78	\$150,917.89
	756	600 to 4,000	5,473	\$62.78	\$28,632.91
	Total		1,099,503		<u>\$7,193,694.75</u>
	Total Fixture Charge Revenue		1,199,835		\$7,855,610.72
<u>Poles</u>	Wood	P	3,404	\$55.45	\$15,729.32
	Non-Metalic	R	10,252	\$57.34	\$48,987.47
	Fiberglass<25	C	1,237	\$111.04	\$11,446.37
	Fiberglass>25	D	484	\$185.67	\$7,488.69
	Metal With Base T		13,215	\$253.37	\$279,023.71
	Underground Charge		39,085	\$110.86	\$361,080.26
	Total Pole Charge Revenue				<u>\$723,755.82</u>
	Total Fixture and Pole Revenue				\$8,579,366.54
	Customer Charge Proration				<u>\$21,811</u>
	Total Fixture and Pole Revenue w/ Customer Charge Proration				<u>\$8,601,177</u>

**Proposed kWh Charges:**

	Annual kWh Use	Proposed kWh Charges	Revenue
Base Charge	57,770,317	\$0.00000	\$0
Zonal Credit - Blackstone	9,491,527	(\$0.01326)	(\$125,858)
Zonal Credit - Newport	3,470,389	(\$0.00875)	(\$30,380)
Hold Harmless Credits - 2003			<u>(\$2,397)</u>
Total Calculated Energy Charge Revenue			(\$156,237)
Total Fixture, Pole and kWh Revenue			\$8,444,939.88

The Narragansett Electric Company  
Proposed Rate Design  
Adjustments to Rates G-02, G-32 and G-62 Billing Demand

<u>Rate</u>	<u>Number of Bills (1)</u>	<u>Number of Custs (2)</u>	<u>Demand Type</u>	<u>Present Billing Demand (3)</u>	<u>Adjusted Billing Demand (4)</u>	<u>Difference</u>
G02	49,272	6,780	Peak kW	2,577,762.8	2,581,234.9	3,472.1
G02	128	25	Peak kVa	19,330.6	21,746.9	2,416.3
G02	33	13	Shld kW	4,846.6	4,900.6	54.0
G02	3	1	Shld kVa	389.6	775.8	386.2
G02	<u>16</u>	<u>9</u>	<u>Offpk kW</u>	<u>1,333.0</u>	<u>2,555.9</u>	<u>1,222.9</u>
G02	49,452	6,828		2,603,662.6	2,611,214.1	7,551.5
G32	3,293	799	Peak kW	1,828,447.2	1,884,077.3	55,630.1
G32	758	209	Peak kVa	406,379.8	457,177.2	50,797.4
G32	2,806	792	Shld kW	1,494,246.7	1,535,757.0	41,510.3
G32	779	210	Shld kVa	378,072.2	425,858.8	47,786.6
G32	1	1	Offpk kW	17.2	38.8	21.6
G32	<u>10</u>	<u>10</u>	<u>Offpk kVa</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
G32	7,647	2,021		4,107,163.1	4,302,909.1	195,746.0
G62	53	9	Peak kW	290,690.0	299,931.6	9,241.6
G62	20	4	Peak kVa	93,822.4	105,550.2	11,727.8
G62	21	7	Shld kW	106,632.0	110,936.2	4,304.2
G62	<u>15</u>	<u>4</u>	<u>Shld kVa</u>	<u>71,652.8</u>	<u>80,609.4</u>	<u>8,956.6</u>
G62	109	24		562,797.2	597,027.4	34,230.2

(1) Number of bills of each demand type rendered in 2003

(2) Number of customers receiving at least one bill of each demand type indicated

(3) Actual 2003 billing demand calculated under present demand definition.

(4) Proposed billing demand calculated as the maximum of the peak (incl. present shoulder hours) or 90% of the peak kVa (incl. shoulder)



THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

**Schedule JAL-7**  
**Typical Bill Impacts**

File: S:\RADATA1\2004 neco\ACOS\TYPBILLS.XLS\Input Section

Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on A-16 Rate Customers

Monthly kWh	Present Rates			Proposed Distribution Rates			Increase/(Decrease)		Number of Custs
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
120	\$16.53	\$7.38	\$9.15	\$16.47	\$7.38	\$9.09	-\$0.06	-0.4%	29,288
240	\$30.41	\$14.75	\$15.66	\$30.29	\$14.75	\$15.54	-\$0.12	-0.4%	51,254
500	\$60.49	\$30.73	\$29.76	\$60.24	\$30.73	\$29.51	-\$0.25	-0.4%	124,474
700	\$83.62	\$43.02	\$40.60	\$83.28	\$43.02	\$40.26	-\$0.34	-0.4%	65,898
950	\$112.54	\$58.39	\$54.15	\$112.08	\$58.39	\$53.69	-\$0.46	-0.4%	47,593
1,000	\$118.32	\$61.46	\$56.86	\$117.84	\$61.46	\$56.38	-\$0.48	-0.4%	7,322

Present Rates:

A-16

Customer Charge		\$2.54
Transmission Energy Charge (1)	kWh x	\$0.00478
Distribution Energy Charge	kWh x	\$0.03680
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax		4.00%
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Standard Offer Charge	kWh x	\$0.05900
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Proposed Distribution Rates: A-16

Customer Charge		\$2.54
Transmission Energy Charge (2)	kWh x	\$0.00478
Distribution Energy Charge	kWh x	\$0.03633
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax		4.00%
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Standard Offer Charge	kWh x	\$0.05900
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Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00042/kWh.

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Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on A-18 Rate Customers

Monthly kWh	Present Rates			Proposed Distribution Rates			Increase/(Decrease)		Number of Custs
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
250	\$29.41	\$15.36	\$14.05	\$31.44	\$15.36	\$16.08	\$2.03	6.9%	1,423
500	\$56.21	\$30.73	\$25.48	\$60.24	\$30.73	\$29.51	\$4.03	7.2%	4,275
1,000	\$111.53	\$61.46	\$50.07	\$117.84	\$61.46	\$56.38	\$6.31	5.7%	9,479
1,500	\$168.56	\$92.19	\$76.37	\$175.43	\$92.19	\$83.24	\$6.87	4.1%	5,147
2,000	\$225.59	\$122.92	\$102.67	\$233.02	\$122.92	\$110.10	\$7.43	3.3%	3,202

Present Rates: A-18

Customer Charge		\$2.52
Transmission Energy Charge (1)	kWh x	\$0.00429
Distribution Energy Charge	kWh x	\$0.03574
Transition Energy Charge	kWh x	\$0.00855
Credit for 1st 750 kWh	kWh x	-\$0.00661
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: A-16

Customer Charge		\$2.54
Transmission Energy Charge (2)	kWh x	\$0.00478
Distribution Energy Charge	kWh x	\$0.03633
Transition Energy Charge	kWh x	\$0.00855
Credit for 1st 750 kWh	kWh x	\$0.00000
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00042/kWh.

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Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on A-32 Rate Customers

Monthly kWh	Present Rates			Proposed Distribution Rates			Increase/(Decrease)		Number of Custs
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
500	\$58.99	\$30.73	\$28.26	\$60.24	\$30.73	\$29.51	\$1.25	2.1%	139
1,000	\$110.95	\$61.46	\$49.49	\$117.84	\$61.46	\$56.38	\$6.89	6.2%	334
2,500	\$266.84	\$153.65	\$113.19	\$290.62	\$153.65	\$136.97	\$23.78	8.9%	1,033
5,000	\$526.65	\$307.29	\$219.36	\$578.58	\$307.29	\$271.29	\$51.93	9.9%	927
7,500	\$786.48	\$460.94	\$325.54	\$866.55	\$460.94	\$405.61	\$80.07	10.2%	206

Present Rates:

A-32

Customer Charge		\$2.30
Meter Charge		\$4.44
Transmission Energy Charge (1)	kWh x	\$0.00434
Distribution Energy Charge	kWh x	\$0.02596
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax		4.00%
Standard Offer Charge		\$0.05900

Proposed Distribution Rates: A-16

Customer Charge		\$2.54
Meter Charge		\$0.00
Transmission Energy Charge (2)	kWh x	\$0.00478
Distribution Energy Charge	kWh x	\$0.03633
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.05900

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00042/kWh.



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Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on A-60 Rate Customers  
Without Control Credit for Water Heater

Monthly kWh	Present Rates			Proposed Distribution Rates			Increase/(Decrease)		Number of Custs
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
100	\$10.10	\$6.15	\$3.95	\$9.55	\$6.15	\$3.40	-\$0.55	-5.4%	529
200	\$20.18	\$12.29	\$7.89	\$19.09	\$12.29	\$6.80	-\$1.09	-5.4%	2,469
300	\$30.28	\$18.44	\$11.84	\$28.63	\$18.44	\$10.19	-\$1.65	-5.4%	4,484
500	\$50.46	\$30.73	\$19.73	\$47.72	\$30.73	\$16.99	-\$2.74	-5.4%	8,899
750	\$75.69	\$46.09	\$29.60	\$76.26	\$46.09	\$30.17	\$0.57	0.8%	6,357
1250	\$126.16	\$76.82	\$49.34	\$133.34	\$76.82	\$56.52	\$7.18	5.7%	3,837

Present Rates:

A-60

Customer Charge		\$0.00
Transmission Energy Charge (1)	kWh x	\$0.00380
Distribution Energy Charge	kWh x	\$0.02589
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038
A-60 Rate Credit	kWh x	-\$0.00227

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (2)	kWh x	\$0.00380
Initial Block Energy Charge (1st 500 kWhs)	kWh x	\$0.01835
Tail Block Energy Charge	kWh x	\$0.03633
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038
A-60 Rate Credit	kWh x	\$0.00000

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00042/kWh.

File: S:\RADATA1\2004 neco\ACOS\TYPBILLS.XLS\Input Section

Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on A-60 Rate Customers  
With Control Credit for Water Heater

Monthly kWh	Present Rates			Proposed Distribution Rates			Difference		Number of Custs
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
100	\$9.41	\$6.15	\$3.26	\$9.55	\$6.15	\$3.40	\$0.14	1.5%	6
200	\$18.81	\$12.29	\$6.52	\$19.09	\$12.29	\$6.80	\$0.28	1.5%	27
300	\$28.22	\$18.44	\$9.78	\$28.63	\$18.44	\$10.19	\$0.41	1.5%	67
500	\$47.02	\$30.73	\$16.29	\$47.72	\$30.73	\$16.99	\$0.70	1.5%	215
750	\$70.53	\$46.09	\$24.44	\$76.26	\$46.09	\$30.17	\$5.73	8.1%	266
1250	\$120.99	\$76.82	\$44.17	\$133.34	\$76.82	\$56.52	\$12.35	10.2%	332

Present Rates:

A-60

Customer Charge		\$0.00
Transmission Energy Charge (1)	kWh x	\$0.00380
Distribution Energy Charge	kWh x	\$0.02589
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038
A-60 Rate Credit	kWh x	-\$0.00227
Credit for 1st 750 kWh	kWh x	-\$0.00661

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (2)	kWh x	\$0.00380
Initial Block Energy Charge (1st 500 kWhs)	kWh x	\$0.01835
Tail Block Energy Charge	kWh x	\$0.03633
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038
A-60 Rate Credit	kWh x	\$0.00000
Credit for 1st 750 kWh	kWh x	\$0.00000

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00042/kWh.

File: S:\RADATA1\2004 neco\ACOS\TYPBILLS.XLS\Input Section

Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on A-60 Rate Customers - former BVE  
Without Control Credit for Water Heater

Monthly kWh	Present Rates			Proposed Distribution Rates			Increase/(Decrease)		Number of Custs
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
100	\$8.60	\$6.15	\$2.45	\$9.55	\$6.15	\$3.40	\$0.95	11.0%	140
200	\$17.19	\$12.29	\$4.90	\$19.09	\$12.29	\$6.80	\$1.90	11.1%	955
300	\$25.79	\$18.44	\$7.35	\$28.63	\$18.44	\$10.19	\$2.84	11.0%	1,780
500	\$48.46	\$30.73	\$17.73	\$47.72	\$30.73	\$16.99	-\$0.74	-1.5%	3,182
750	\$76.80	\$46.09	\$30.71	\$76.26	\$46.09	\$30.17	-\$0.54	-0.7%	1,722
1250	\$133.48	\$76.82	\$56.66	\$133.34	\$76.82	\$56.52	-\$0.14	-0.1%	805

Present Rates:

A-60

Customer Charge		\$0.00
Transmission Energy Charge (1)	kWh x	\$0.00380
Initial Block Energy Charge (1st 300 kWhs)	kWh x	\$0.01153
Tail Block Energy Charge	kWh x	\$0.03783
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038
A-60 Rate Credit	kWh x	-\$0.00227

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (2)	kWh x	\$0.00380
Initial Block Energy Charge (1st 500 kWhs)	kWh x	\$0.01835
Tail Block Energy Charge	kWh x	\$0.03633
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038
A-60 Rate Credit	kWh x	\$0.00000

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00042/kWh.

File: S:\RADATA1\2004 neco\ACOS\TYPBILLS.XLS\Input Section

Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on A-60 Rate Customers - former BVE  
With Control Credit for Water Heater

Monthly kWh	Present Rates			Proposed Distribution Rates			Difference		Number of Custs
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
100	\$7.91	\$6.15	\$1.76	\$9.55	\$6.15	\$3.40	\$1.64	20.7%	2
200	\$15.82	\$12.29	\$3.53	\$19.09	\$12.29	\$6.80	\$3.27	20.7%	13
300	\$23.73	\$18.44	\$5.29	\$28.63	\$18.44	\$10.19	\$4.90	20.6%	13
500	\$45.02	\$30.73	\$14.29	\$47.72	\$30.73	\$16.99	\$2.70	6.0%	16
750	\$71.64	\$46.09	\$25.55	\$76.26	\$46.09	\$30.17	\$4.62	6.4%	12
1250	\$128.32	\$76.82	\$51.50	\$133.34	\$76.82	\$56.52	\$5.02	3.9%	8

Present Rates:

A-60

Customer Charge		\$0.00
Transmission Energy Charge (1)	kWh x	\$0.00380
Initial Block Energy Charge (1st 300 kWhs)	kWh x	\$0.01153
Tail Block Energy Charge		\$0.03783
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038
A-60 Rate Credit	kWh x	-\$0.00227
Credit for 1st 750 kWh	kWh x	-\$0.00661

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (2)	kWh x	\$0.00380
Initial Block Energy Charge (1st 500 kWhs)	kWh x	\$0.01835
Tail Block Energy Charge	kWh x	\$0.03633
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038
A-60 Rate Credit	kWh x	\$0.00000
Credit for 1st 750 kWh	kWh x	\$0.00000

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00042/kWh.

File: S:\RADATA1\2004 neco\ACOS\TYPBILLS.XLS\Input Section

Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on A-60 Rate Customers - former Newport  
Without Control Credit for Water Heater

Monthly kWh	Present Rates			Proposed Distribution Rates			Increase/(Decrease)		Number of Custs
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
100	\$9.28	\$6.15	\$3.13	\$9.55	\$6.15	\$3.40	\$0.27	2.9%	24
200	\$18.55	\$12.29	\$6.26	\$19.09	\$12.29	\$6.80	\$0.54	2.9%	116
300	\$27.84	\$18.44	\$9.40	\$28.63	\$18.44	\$10.19	\$0.79	2.8%	216
500	\$52.09	\$30.73	\$21.36	\$47.72	\$30.73	\$16.99	-\$4.37	-8.4%	374
750	\$82.40	\$46.09	\$36.31	\$76.26	\$46.09	\$30.17	-\$6.14	-7.5%	276
1250	\$143.03	\$76.82	\$66.21	\$133.34	\$76.82	\$56.52	-\$9.69	-6.8%	158

Present Rates:

A-60

Customer Charge		\$0.00
Transmission Energy Charge (1)	kWh x	\$0.00380
Initial Block Energy Charge (1st 300 kWhs)	kWh x	\$0.01807
Tail Block Energy Charge	kWh x	\$0.04541
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038
A-60 Rate Credit	kWh x	-\$0.00227

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (2)	kWh x	\$0.00380
Initial Block Energy Charge (1st 500 kWhs)	kWh x	\$0.01835
Tail Block Energy Charge	kWh x	\$0.03633
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038
A-60 Rate Credit	kWh x	\$0.00000

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00042/kWh.

File: S:\RADATA1\2004 neco\ACOS\TYPBILLS.XLS\Input Section

Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on A-60 Rate Customers - former Newport  
With Control Credit for Water Heater

Monthly kWh	Present Rates			Proposed Distribution Rates			Difference		Number of Custs
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
100	\$8.59	\$6.15	\$2.44	\$9.55	\$6.15	\$3.40	\$0.96	11.2%	2
200	\$17.18	\$12.29	\$4.89	\$19.09	\$12.29	\$6.80	\$1.91	11.1%	17
300	\$25.77	\$18.44	\$7.33	\$28.63	\$18.44	\$10.19	\$2.86	11.1%	36
500	\$48.64	\$30.73	\$17.91	\$47.72	\$30.73	\$16.99	-\$0.92	-1.9%	26
750	\$77.23	\$46.09	\$31.14	\$76.26	\$46.09	\$30.17	-\$0.97	-1.3%	18
1250	\$137.86	\$76.82	\$61.04	\$133.34	\$76.82	\$56.52	-\$4.52	-3.3%	8

Present Rates:

A-60

Customer Charge		\$0.00
Transmission Energy Charge (1)	kWh x	\$0.00380
Initial Block Energy Charge (1st 300 kWhs)	kWh x	\$0.01807
Tail Block Energy Charge		\$0.04541
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038
A-60 Rate Credit	kWh x	-\$0.00227
Credit for 1st 750 kWh	kWh x	-\$0.00661

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (2)	kWh x	\$0.00380
Initial Block Energy Charge (1st 500 kWhs)	kWh x	\$0.01835
Tail Block Energy Charge	kWh x	\$0.03633
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038
A-60 Rate Credit	kWh x	\$0.00000
Credit for 1st 750 kWh	kWh x	\$0.00000

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00042/kWh.

File: S:\RADATA1\2004 neco\ACOS\TYPBILLS.XLS\Input Section

Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on C-06 Rate Customers

Monthly kWh	Present Rates			Proposed Distribution Rates			Increase/(Decrease)		Number of Custs
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
250	\$35.61	\$15.36	\$20.25	\$35.11	\$15.36	\$19.75	-\$0.50	-1.4%	17,634
500	\$65.27	\$30.73	\$34.54	\$64.26	\$30.73	\$33.53	-\$1.01	-1.5%	8,533
1,000	\$124.56	\$61.46	\$63.10	\$122.54	\$61.46	\$61.08	-\$2.02	-1.6%	9,471
1,500	\$183.86	\$92.19	\$91.67	\$180.83	\$92.19	\$88.64	-\$3.03	-1.6%	4,891
2,000	\$243.16	\$122.92	\$120.24	\$239.12	\$122.92	\$116.20	-\$4.04	-1.7%	9,573

Present Rates: C-06

Customer Charge		\$5.73
Transmission Energy Charge (1)	kWh x	\$0.00578
Distribution Energy Charge	kWh x	\$0.03860
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.05900

Proposed Distribution Rates: C-06

Customer Charge		\$5.73
Transmission Energy Charge (2)	kWh x	\$0.00578
Distribution Energy Charge	kWh x	\$0.03666
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.05900

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00042/kWh.

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Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on R-02 Rate Customers

Monthly kWh	Present Rates			Proposed Distribution Rates			Increase/(Decrease)		Number of Custs
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
250	\$21.95	\$15.36	\$6.59	\$23.76	\$15.36	\$8.40	\$1.81	8.2%	96
500	\$43.91	\$30.73	\$13.18	\$47.14	\$30.73	\$16.41	\$3.23	7.4%	142
1,000	\$87.81	\$61.46	\$26.35	\$93.90	\$61.46	\$32.44	\$6.09	6.9%	302
1,500	\$131.72	\$92.19	\$39.53	\$140.65	\$92.19	\$48.46	\$8.93	6.8%	63
2,000	\$175.63	\$122.92	\$52.71	\$187.41	\$122.92	\$64.49	\$11.78	6.7%	11

Present Rates:

R-02

Unmetered Charge \$0.00  
Transmission Energy Charge (1) kWh x \$0.00578  
Distribution Energy Charge kWh x \$0.00905  
Transition Energy Charge kWh x \$0.00855  
C&LM Adjustment kWh x \$0.00230  
S.O. Adj. kWh x \$0.00000  
Settlement Cr. kWh x -\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: R-02

Unmetered Charge \$0.37  
Transmission Energy Charge (2) kWh x \$0.00578  
Distribution Energy Charge kWh x \$0.01452  
Transition Energy Charge kWh x \$0.00855  
C&LM Adjustment kWh x \$0.00230  
S.O. Adj. kWh x \$0.00000  
Settlement Cr. kWh x -\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00042/kWh.



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Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on E-30 Rate Customers

Monthly kWh	Present Rates			Proposed Distribution Rates			Increase/(Decrease)		Number of Custs
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
1,000	\$99.40	\$61.46	\$37.94	\$102.21	\$61.46	\$40.75	\$2.81	2.8%	2
2,500	\$236.71	\$153.65	\$83.06	\$251.56	\$153.65	\$97.91	\$14.85	6.3%	2
5,000	\$465.56	\$307.29	\$158.27	\$500.46	\$307.29	\$193.17	\$34.90	7.5%	5
10,000	\$923.27	\$614.58	\$308.69	\$998.27	\$614.58	\$383.69	\$75.00	8.1%	0
25,000	\$2,296.40	\$1,536.46	\$759.94	\$2,491.71	\$1,536.46	\$955.25	\$195.31	8.5%	1
50,000	\$4,584.94	\$3,072.92	\$1,512.02	\$4,980.77	\$3,072.92	\$1,907.85	\$395.83	8.6%	3

Present Rates:

E-30

Customer Charge		\$7.54
Transmission Energy Charge (1)	kWh x	\$0.00259
Distribution Energy Charge	kWh x	\$0.01582
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: A-16

Customer Charge		\$2.54
Transmission Energy Charge (2)	kWh x	\$0.00478
Distribution Energy Charge	kWh x	\$0.03633
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

E-30 Credit kWh x -\$0.01500  
Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00042/kWh.

File: S:\RADATA1\2004 neco\ACOS\TYPBILLS.XLS\Input Section

Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on G-02 Rate Customers

Hours Use: 200

Monthly Power		Present Rates			Proposed Distribution Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
20	4,000	\$486.74	\$245.83	\$240.91	\$492.15	\$245.83	\$246.32	\$5.41	1.1%
50	10,000	\$1,122.61	\$614.58	\$508.03	\$1,147.40	\$614.58	\$532.82	\$24.79	2.2%
100	20,000	\$2,182.41	\$1,229.17	\$953.24	\$2,239.49	\$1,229.17	\$1,010.32	\$57.08	2.6%
150	30,000	\$3,242.20	\$1,843.75	\$1,398.45	\$3,331.57	\$1,843.75	\$1,487.82	\$89.37	2.8%

Present Rates:

G-02

Customer Charge \$103.41  
Transmission Demand Charge-xcs 10 kW kW x \$1.40  
Transmission Adjustment Factor kWh x \$0.00042  
Distribution Demand Charge-xcs 10 kW kW x \$2.91  
Distribution Energy Charge kWh x \$0.01030  
Transition Energy Charge kWh x \$0.00855  
C&LM Adjustment kWh x \$0.00230  
S.O. Adj. kWh x \$0.00000  
Settlement Cr. kWh x -\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: G-02

Customer Charge \$103.41  
Transmission Demand Charge-xcs 10 kW kW x \$1.40  
Transmission Adjustment Factor kWh x \$0.00042  
Distribution Demand Charge-xcs 10 kW kW x \$3.63  
Distribution Energy Charge kWh x \$0.00980  
Transition Energy Charge kWh x \$0.00855  
C&LM Adjustment kWh x \$0.00230  
S.O. Adj. kWh x \$0.00000  
Settlement Cr. kWh x -\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

File: S:\RADATA1\2004 neco\ACOS\TYPBILLS.XLS\Input Section

Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on G-02 Rate Customers

Hours Use: 300

Monthly Power		Present Rates			Proposed Distribution Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
20	6,000	\$653.80	\$368.75	\$285.05	\$658.18	\$368.75	\$289.43	\$4.38	0.7%
50	15,000	\$1,540.28	\$921.88	\$618.40	\$1,562.46	\$921.88	\$640.58	\$22.18	1.4%
100	30,000	\$3,017.72	\$1,843.75	\$1,173.97	\$3,069.59	\$1,843.75	\$1,225.84	\$51.87	1.7%
150	45,000	\$4,495.17	\$2,765.63	\$1,729.54	\$4,576.73	\$2,765.63	\$1,811.10	\$81.56	1.8%

Present Rates:

G-02

Customer Charge \$103.41  
Transmission Demand Charge-xcs 10 kW kW x \$1.40  
Transmission Adjustment Factor kWh x \$0.00042  
Distribution Demand Charge-xcs 10 kW kW x \$2.91  
Distribution Energy Charge kWh x \$0.01030  
Transition Energy Charge kWh x \$0.00855  
C&LM Adjustment kWh x \$0.00230  
S.O. Adj. kWh x \$0.00000  
Settlement Cr. kWh x -\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: G-02

Customer Charge \$103.41  
Transmission Demand Charge-xcs 10 kW kW x \$1.40  
Transmission Adjustment Factor kWh x \$0.00042  
Distribution Demand Charge-xcs 10 kW kW x \$3.63  
Distribution Energy Charge kWh x \$0.00980  
Transition Energy Charge kWh x \$0.00855  
C&LM Adjustment kWh x \$0.00230  
S.O. Adj. kWh x \$0.00000  
Settlement Cr. kWh x -\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

File: S:\RADATA1\2004 neco\ACOS\TYPBILLS.XLS\Input Section

Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on G-02 Rate Customers

Hours Use: 400

Monthly Power		Present Rates			Proposed Distribution Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
20	8,000	\$820.87	\$491.67	\$329.20	\$824.20	\$491.67	\$332.53	\$3.33	0.4%
50	20,000	\$1,957.93	\$1,229.17	\$728.76	\$1,977.51	\$1,229.17	\$748.34	\$19.58	1.0%
100	40,000	\$3,853.03	\$2,458.33	\$1,394.70	\$3,899.69	\$2,458.33	\$1,441.36	\$46.66	1.2%
150	60,000	\$5,748.14	\$3,687.50	\$2,060.64	\$5,821.89	\$3,687.50	\$2,134.39	\$73.75	1.3%

Present Rates:

G-02

Customer Charge \$103.41  
Transmission Demand Charge-xcs 10 kW kW x \$1.40  
Transmission Adjustment Factor kWh x \$0.00042  
Distribution Demand Charge-xcs 10 kW kW x \$2.91  
Distribution Energy Charge kWh x \$0.01030  
Transition Energy Charge kWh x \$0.00855  
C&LM Adjustment kWh x \$0.00230  
S.O. Adj. kWh x \$0.00000  
Settlement Cr. kWh x -\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: G-02

Customer Charge \$103.41  
Transmission Demand Charge-xcs 10 kW kW x \$1.40  
Transmission Adjustment Factor kWh x \$0.00042  
Distribution Demand Charge-xcs 10 kW kW x \$3.63  
Distribution Energy Charge kWh x \$0.00980  
Transition Energy Charge kWh x \$0.00855  
C&LM Adjustment kWh x \$0.00230  
S.O. Adj. kWh x \$0.00000  
Settlement Cr. kWh x -\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

File: S:\RADATA\1\2004 neco\ACOS\TYPBILLS.XLS\Input Section

Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on G-02 Rate Customers

Hours Use: 500

Monthly Power		Present Rates			Proposed Distribution Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
20	10,000	\$987.92	\$614.58	\$373.34	\$990.22	\$614.58	\$375.64	\$2.30	0.2%
50	25,000	\$2,375.59	\$1,536.46	\$839.13	\$2,392.56	\$1,536.46	\$856.10	\$16.97	0.7%
100	50,000	\$4,688.35	\$3,072.92	\$1,615.43	\$4,729.81	\$3,072.92	\$1,656.89	\$41.46	0.9%
150	75,000	\$7,001.11	\$4,609.38	\$2,391.73	\$7,067.05	\$4,609.38	\$2,457.67	\$65.94	0.9%

Present Rates:

G-02

Customer Charge \$103.41  
Transmission Demand Charge-xcs 10 kW kW x \$1.40  
Transmission Adjustment Factor kWh x \$0.00042  
Distribution Demand Charge-xcs 10 kW kW x \$2.91  
Distribution Energy Charge kWh x \$0.01030  
Transition Energy Charge kWh x \$0.00855  
C&LM Adjustment kWh x \$0.00230  
S.O. Adj. kWh x \$0.00000  
Settlement Cr. kWh x -\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: G-02

Customer Charge \$103.41  
Transmission Demand Charge-xcs 10 kW kW x \$1.40  
Transmission Adjustment Factor kWh x \$0.00042  
Distribution Demand Charge-xcs 10 kW kW x \$3.63  
Distribution Energy Charge kWh x \$0.00980  
Transition Energy Charge kWh x \$0.00855  
C&LM Adjustment kWh x \$0.00230  
S.O. Adj. kWh x \$0.00000  
Settlement Cr. kWh x -\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

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Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on G-02 Rate Customers

Hours Use: 600

Monthly Power		Present Rates			Proposed Distribution Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
20	12,000	\$1,154.99	\$737.50	\$417.49	\$1,156.24	\$737.50	\$418.74	\$1.25	0.1%
50	30,000	\$2,793.24	\$1,843.75	\$949.49	\$2,807.61	\$1,843.75	\$963.86	\$14.37	0.5%
100	60,000	\$5,523.66	\$3,687.50	\$1,836.16	\$5,559.91	\$3,687.50	\$1,872.41	\$36.25	0.7%
150	90,000	\$8,254.07	\$5,531.25	\$2,722.82	\$8,312.20	\$5,531.25	\$2,780.95	\$58.13	0.7%

Present Rates:

G-02

Customer Charge \$103.41  
Transmission Demand Charge-xcs 10 kW kW x \$1.40  
Transmission Adjustment Factor kWh x \$0.00042  
Distribution Demand Charge-xcs 10 kW kW x \$2.91  
Distribution Energy Charge kWh x \$0.01030  
Transition Energy Charge kWh x \$0.00855  
C&LM Adjustment kWh x \$0.00230  
S.O. Adj. kWh x \$0.00000  
Settlement Cr. kWh x -\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: G-02

Customer Charge \$103.41  
Transmission Demand Charge-xcs 10 kW kW x \$1.40  
Transmission Adjustment Factor kWh x \$0.00042  
Distribution Demand Charge-xcs 10 kW kW x \$3.63  
Distribution Energy Charge kWh x \$0.00980  
Transition Energy Charge kWh x \$0.00855  
C&LM Adjustment kWh x \$0.00230  
S.O. Adj. kWh x \$0.00000  
Settlement Cr. kWh x -\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

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Date: 7-Jun-04

Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on G-32 Rate Customers

Hours Use: 200

Monthly Power		Present Rates			Proposed Distribution Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
500	100,000	\$10,186.90	\$6,145.83	\$4,041.07	\$10,419.19	\$6,145.83	\$4,273.36	\$232.29	2.3%
1,000	200,000	\$20,127.53	\$12,291.67	\$7,835.86	\$20,592.12	\$12,291.67	\$8,300.45	\$464.59	2.3%
1,500	300,000	\$30,068.16	\$18,437.50	\$11,630.66	\$30,765.03	\$18,437.50	\$12,327.53	\$696.87	2.3%
2,000	400,000	\$40,008.78	\$24,583.33	\$15,425.45	\$40,937.94	\$24,583.33	\$16,354.61	\$929.16	2.3%
2,500	500,000	\$49,949.41	\$30,729.17	\$19,220.24	\$51,110.87	\$30,729.17	\$20,381.70	\$1,161.46	2.3%

Present Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$1.56
Distribution Energy Charge	kWh x	\$0.01139
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$3.12
Distribution Energy Charge	kWh x	\$0.00582
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

File: S:\RADATA1\2004 neco\ACOS\TYPBILLS.XLS\Input Section

Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on G-32 Rate Customers

Hours Use: 300

Monthly Power		Present Rates			Proposed Distribution Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
500	150,000	\$14,420.24	\$9,218.75	\$5,201.49	\$14,362.43	\$9,218.75	\$5,143.68	-\$57.81	-0.4%
1,000	300,000	\$28,594.20	\$18,437.50	\$10,156.70	\$28,478.57	\$18,437.50	\$10,041.07	-\$115.63	-0.4%
1,500	450,000	\$42,768.16	\$27,656.25	\$15,111.91	\$42,594.72	\$27,656.25	\$14,938.47	-\$173.44	-0.4%
2,000	600,000	\$56,942.11	\$36,875.00	\$20,067.11	\$56,710.86	\$36,875.00	\$19,835.86	-\$231.25	-0.4%
2,500	750,000	\$71,116.07	\$46,093.75	\$25,022.32	\$70,827.01	\$46,093.75	\$24,733.26	-\$289.06	-0.4%

Present Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$1.56
Distribution Energy Charge	kWh x	\$0.01139
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$3.12
Distribution Energy Charge	kWh x	\$0.00582
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900



File: S:\RADATA1\2004 neco\ACOS\TYPBILLS.XLS\Input Section

Date: 7-Jun-04  
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The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on G-32 Rate Customers

Hours Use: 400

Monthly Power		Present Rates			Proposed Distribution Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
500	200,000	\$18,653.58	\$12,291.67	\$6,361.91	\$18,305.66	\$12,291.67	\$6,013.99	-\$347.92	-1.9%
1,000	400,000	\$37,060.86	\$24,583.33	\$12,477.53	\$36,365.03	\$24,583.33	\$11,781.70	-\$695.83	-1.9%
1,500	600,000	\$55,468.16	\$36,875.00	\$18,593.16	\$54,424.41	\$36,875.00	\$17,549.41	-\$1,043.75	-1.9%
2,000	800,000	\$73,875.45	\$49,166.67	\$24,708.78	\$72,483.78	\$49,166.67	\$23,317.11	-\$1,391.67	-1.9%
2,500	1,000,000	\$92,282.74	\$61,458.33	\$30,824.41	\$90,543.15	\$61,458.33	\$29,084.82	-\$1,739.59	-1.9%

Present Rates:

G-32

Customer Charge \$236.43  
Transmission Demand Charge kW x \$1.27  
Transmission Adjustment Factor kWh x \$0.00042  
Distribution Demand Charge kW x \$1.56  
Distribution Energy Charge kWh x \$0.01139  
Transition Energy Charge kWh x \$0.00855  
C&LM Adjustment kWh x \$0.00230  
S.O. Adj. kWh x \$0.00000  
Settlement Cr. kWh x -\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: G-32

Customer Charge \$236.43  
Transmission Demand Charge kW x \$1.27  
Transmission Adjustment Factor kWh x \$0.00042  
Distribution Demand Charge kW x \$3.12  
Distribution Energy Charge kWh x \$0.00582  
Transition Energy Charge kWh x \$0.00855  
C&LM Adjustment kWh x \$0.00230  
S.O. Adj. kWh x \$0.00000  
Settlement Cr. kWh x -\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

File: S:\RADATA1\2004 neco\ACOS\TYPBILLS.XLS\Input Section

Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on G-32 Rate Customers

Hours Use: 500

Monthly Power		Present Rates			Proposed Distribution Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
500	250,000	\$22,886.90	\$15,364.58	\$7,522.32	\$22,248.88	\$15,364.58	\$6,884.30	-\$638.02	-2.8%
1,000	500,000	\$45,527.53	\$30,729.17	\$14,798.36	\$44,251.49	\$30,729.17	\$13,522.32	-\$1,276.04	-2.8%
1,500	750,000	\$68,168.16	\$46,093.75	\$22,074.41	\$66,254.09	\$46,093.75	\$20,160.34	-\$1,914.07	-2.8%
2,000	1,000,000	\$90,808.78	\$61,458.33	\$29,350.45	\$88,256.69	\$61,458.33	\$26,798.36	-\$2,552.09	-2.8%
2,500	1,250,000	\$113,449.41	\$76,822.92	\$36,626.49	\$110,259.31	\$76,822.92	\$33,436.39	-\$3,190.10	-2.8%

Present Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$1.56
Distribution Energy Charge	kWh x	\$0.01139
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$3.12
Distribution Energy Charge	kWh x	\$0.00582
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

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Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on G-32 Rate Customers

Hours Use: 600

Monthly Power		Present Rates			Proposed Distribution Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
500	300,000	\$27,120.24	\$18,437.50	\$8,682.74	\$26,192.11	\$18,437.50	\$7,754.61	-\$928.13	-3.4%
1,000	600,000	\$53,994.20	\$36,875.00	\$17,119.20	\$52,137.95	\$36,875.00	\$15,262.95	-\$1,856.25	-3.4%
1,500	900,000	\$80,868.16	\$55,312.50	\$25,555.66	\$78,083.78	\$55,312.50	\$22,771.28	-\$2,784.38	-3.4%
2,000	1,200,000	\$107,742.11	\$73,750.00	\$33,992.11	\$104,029.61	\$73,750.00	\$30,279.61	-\$3,712.50	-3.4%
2,500	1,500,000	\$134,616.07	\$92,187.50	\$42,428.57	\$129,975.45	\$92,187.50	\$37,787.95	-\$4,640.62	-3.4%

Present Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$1.56
Distribution Energy Charge	kWh x	\$0.01139
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$3.12
Distribution Energy Charge	kWh x	\$0.00582
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

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Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on G-62 Rate Customers

Hours Use: 200

Monthly Power		Present Rates			Proposed Distribution Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
3,000	600,000	\$70,913.25	\$36,875.00	\$34,038.25	\$73,844.50	\$36,875.00	\$36,969.50	\$2,931.25	4.1%
4,000	800,000	\$88,607.00	\$49,166.67	\$39,440.33	\$92,515.34	\$49,166.67	\$43,348.67	\$3,908.34	4.4%
5,000	1,000,000	\$106,300.75	\$61,458.33	\$44,842.42	\$111,186.16	\$61,458.33	\$49,727.83	\$4,885.41	4.6%
6,000	1,200,000	\$123,994.50	\$73,750.00	\$50,244.50	\$129,857.00	\$73,750.00	\$56,107.00	\$5,862.50	4.7%
7,000	1,400,000	\$141,688.25	\$86,041.67	\$55,646.58	\$148,527.84	\$86,041.67	\$62,486.17	\$6,839.59	4.8%

Present Rates:

G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$0.75
Transition Demand Charge	kW x	\$0.00
Distribution Energy Charge	kWh x	\$0.00434
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$2.48
Transition Demand Charge	kW x	\$0.00
Distribution Energy Charge	kWh x	\$0.00038
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

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Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on G-62 Rate Customers

Hours Use: 300

Monthly Power		Present Rates			Proposed Distribution Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
3,000	900,000	\$94,110.13	\$55,312.50	\$38,797.63	\$95,803.88	\$55,312.50	\$40,491.38	\$1,693.75	1.8%
4,000	1,200,000	\$119,536.17	\$73,750.00	\$45,786.17	\$121,794.50	\$73,750.00	\$48,044.50	\$2,258.33	1.9%
5,000	1,500,000	\$144,962.21	\$92,187.50	\$52,774.71	\$147,785.13	\$92,187.50	\$55,597.63	\$2,822.92	1.9%
6,000	1,800,000	\$170,388.25	\$110,625.00	\$59,763.25	\$173,775.75	\$110,625.00	\$63,150.75	\$3,387.50	2.0%
7,000	2,100,000	\$195,814.29	\$129,062.50	\$66,751.79	\$199,766.38	\$129,062.50	\$70,703.88	\$3,952.09	2.0%

Present Rates:

G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$0.75
Transition Demand Charge	kW x	\$0.00
Distribution Energy Charge	kWh x	\$0.00434
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$2.48
Transition Demand Charge	kW x	\$0.00
Distribution Energy Charge	kWh x	\$0.00038
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

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Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on G-62 Rate Customers

Hours Use: 400

Monthly Power		Present Rates			Proposed Distribution Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
3,000	1,200,000	\$117,307.00	\$73,750.00	\$43,557.00	\$117,763.25	\$73,750.00	\$44,013.25	\$456.25	0.4%
4,000	1,600,000	\$150,465.33	\$98,333.33	\$52,132.00	\$151,073.66	\$98,333.33	\$52,740.33	\$608.33	0.4%
5,000	2,000,000	\$183,623.67	\$122,916.67	\$60,707.00	\$184,384.09	\$122,916.67	\$61,467.42	\$760.42	0.4%
6,000	2,400,000	\$216,782.00	\$147,500.00	\$69,282.00	\$217,694.50	\$147,500.00	\$70,194.50	\$912.50	0.4%
7,000	2,800,000	\$249,940.33	\$172,083.33	\$77,857.00	\$251,004.91	\$172,083.33	\$78,921.58	\$1,064.58	0.4%

Present Rates:

G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$0.75
Transition Demand Charge	kW x	\$0.00
Distribution Energy Charge	kWh x	\$0.00434
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$2.48
Transition Demand Charge	kW x	\$0.00
Distribution Energy Charge	kWh x	\$0.00038
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

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Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on G-62 Rate Customers

Hours Use: 500

Monthly Power		Present Rates			Proposed Distribution Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
3,000	1,500,000	\$140,503.88	\$92,187.50	\$48,316.38	\$139,722.63	\$92,187.50	\$47,535.13	-\$781.25	-0.6%
4,000	2,000,000	\$181,394.50	\$122,916.67	\$58,477.83	\$180,352.84	\$122,916.67	\$57,436.17	-\$1,041.66	-0.6%
5,000	2,500,000	\$222,285.12	\$153,645.83	\$68,639.29	\$220,983.04	\$153,645.83	\$67,337.21	-\$1,302.08	-0.6%
6,000	3,000,000	\$263,175.75	\$184,375.00	\$78,800.75	\$261,613.25	\$184,375.00	\$77,238.25	-\$1,562.50	-0.6%
7,000	3,500,000	\$304,066.38	\$215,104.17	\$88,962.21	\$302,243.46	\$215,104.17	\$87,139.29	-\$1,822.92	-0.6%

Present Rates:

G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$0.75
Transition Demand Charge	kW x	\$0.00
Distribution Energy Charge	kWh x	\$0.00434
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$2.48
Transition Demand Charge	kW x	\$0.00
Distribution Energy Charge	kWh x	\$0.00038
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

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Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on G-62 Rate Customers

Hours Use: 600

Monthly Power		Present Rates			Proposed Distribution Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
3,000	1,800,000	\$163,700.75	\$110,625.00	\$53,075.75	\$161,682.00	\$110,625.00	\$51,057.00	-\$2,018.75	-1.2%
4,000	2,400,000	\$212,323.67	\$147,500.00	\$64,823.67	\$209,632.00	\$147,500.00	\$62,132.00	-\$2,691.67	-1.3%
5,000	3,000,000	\$260,946.58	\$184,375.00	\$76,571.58	\$257,582.00	\$184,375.00	\$73,207.00	-\$3,364.58	-1.3%
6,000	3,600,000	\$309,569.50	\$221,250.00	\$88,319.50	\$305,532.00	\$221,250.00	\$84,282.00	-\$4,037.50	-1.3%
7,000	4,200,000	\$358,192.42	\$258,125.00	\$100,067.42	\$353,482.00	\$258,125.00	\$95,357.00	-\$4,710.42	-1.3%

Present Rates:

G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$0.75
Transition Demand Charge	kW x	\$0.00
Distribution Energy Charge	kWh x	\$0.00434
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$2.48
Transition Demand Charge	kW x	\$0.00
Distribution Energy Charge	kWh x	\$0.00038
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.05900



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Date: 7-Jun-04

Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on T-06 Rate Customers

Monthly kWh	Present Rates			Proposed Distribution Rates			Increase/(Decrease)		Number of Custs
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
500	\$58.35	\$30.73	\$27.62	\$60.24	\$30.73	\$29.51	\$1.89	3.2%	59
1,000	\$108.53	\$61.46	\$47.07	\$117.84	\$61.46	\$56.38	\$9.31	8.6%	48
2,000	\$208.90	\$122.92	\$85.98	\$233.02	\$122.92	\$110.10	\$24.12	11.5%	27
5,000	\$509.99	\$307.29	\$202.70	\$578.58	\$307.29	\$271.29	\$68.59	13.4%	29
10,000	\$1,011.81	\$614.58	\$397.23	\$1,154.52	\$614.58	\$539.94	\$142.71	14.1%	14
20,000	\$2,015.46	\$1,229.17	\$786.29	\$2,306.40	\$1,229.17	\$1,077.23	\$290.94	14.4%	17

Present Rates:

T-06

Customer Charge		\$7.84
Transmission Energy Charge (1)	kWh x	\$0.00403
Distribution Energy Charge	kWh x	\$0.02285
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: A-16

Customer Charge		\$2.54
Transmission Energy Charge (2)	kWh x	\$0.00478
Distribution Energy Charge	kWh x	\$0.03633
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00042/kWh.

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Date: 7-Jun-04  
Time: 07:31 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Distribution Rates  
Impact on T-06 Rate Customers

Monthly kWh	Present Rates			Proposed Distribution Rates			Increase/(Decrease)		Number of Custs
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
500	\$58.35	\$30.73	\$27.62	\$64.26	\$30.73	\$33.53	\$5.91	10.1%	2
1,000	\$108.53	\$61.46	\$47.07	\$122.54	\$61.46	\$61.08	\$14.01	12.9%	6
2,000	\$208.90	\$122.92	\$85.98	\$239.12	\$122.92	\$116.20	\$30.22	14.5%	13
5,000	\$509.99	\$307.29	\$202.70	\$588.83	\$307.29	\$281.54	\$78.84	15.5%	14
10,000	\$1,011.81	\$614.58	\$397.23	\$1,171.69	\$614.58	\$557.11	\$159.88	15.8%	13
20,000	\$2,015.46	\$1,229.17	\$786.29	\$2,337.43	\$1,229.17	\$1,108.26	\$321.97	16.0%	27

Present Rates:

T-06

Customer Charge		\$7.84
Transmission Energy Charge (1)	kWh x	\$0.00403
Distribution Energy Charge	kWh x	\$0.02285
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Proposed Distribution Rates: C-06

Customer Charge		\$5.73
Transmission Energy Charge (2)	kWh x	\$0.00578
Distribution Energy Charge	kWh x	\$0.03666
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Settlement Cr.	kWh x	-\$0.00038

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.05900

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00042/kWh.

The Narragansett Electric Company  
Typical Bill Impacts  
Individual Customer Impacts for Rates G-22, E-40 and V-02  
Number of Customers

% <u>Change</u>	Rate G-22 <u>to G-02</u>	Rate G-22 <u>to G-32</u>	Rate E-40 <u>to C-06 (1)</u>	Rate E-40 <u>to G-02 (1)</u>	Rate E-40 <u>to G-32 (1)</u>	Rate V-02 <u>to C-06 (1)</u>	Rate V-02 <u>to G-02 (1)</u>
Less Than -10%	0	0	2	4	8	113	57
-12%	0	0	0	0	0	7	0
-10%	0	0	0	1	0	12	0
-8%	0	0	0	0	0	19	2
-6%	615	89	0	0	0	14	6
-4%	1,784	19	0	0	0	12	3
-2%	20	0	0	0	0	19	3
0%	9	0	0	0	0	13	0
2%	5	0	0	0	0	16	0
4%	0	0	0	0	0	14	0
6%	3	0	0	0	0	3	1
8%	0	0	0	0	0	0	0
10%	2	0	0	0	0	0	1
12%	0	0	0	0	0	0	0
14%	1	0	0	0	0	0	0
Greater Than 20%	<u>8</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2,447	108	4	5	8	242	73

(1) Reflects the combined impact of each customers' primary and supplemental service.

**Narragansett Electric Company  
Rate Design Proposal  
Comparison of Proposed Backup Billing to Current Backup Billing**

**Present Rate B-62 Accounts**

Customer 1

	<u>Proposed Backup</u> (a)	<u>Proposed Supplemental</u> (b)	<u>Total</u> (c)=(b)+(a)	<u>Present Backup</u> (a)	<u>Present Supplemental</u> (b)	<u>Total</u> (c)=(b)+(a)	<u>Proposed Backup</u> (a)	<u>Proposed Supplemental</u> (b)	<u>Total</u> (c)=(b)+(a)
Distribution	\$222,286.68	\$554,875.43	\$777,162.11	\$212,158.87	\$753,454.99	\$965,613.86	\$10,127.81	(\$198,579.56)	(\$188,451.75)
Transmission	\$127,151.64	\$246,576.85	\$373,728.49	\$142,376.84	\$246,576.85	\$388,953.69	(\$15,225.20)	\$0.00	(\$15,225.20)
Transition	\$0.00	\$950,378.20	\$950,378.20	\$0.00	\$950,378.20	\$950,378.20	\$0.00	\$0.00	\$0.00
Conservation	\$0.00	\$255,657.29	\$255,657.29	\$0.00	\$255,657.29	\$255,657.29	\$0.00	\$0.00	\$0.00
Standard Offer	\$0.00	\$6,558,165.38	\$6,558,165.38	\$0.00	\$6,558,165.38	\$6,558,165.38	\$0.00	\$0.00	\$0.00
HVD	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HVM	<u>(\$5,548.63)</u>	<u>(\$83,602.29)</u>	<u>(\$89,150.91)</u>	<u>(\$5,599.60)</u>	<u>(\$85,588.08)</u>	<u>(\$91,187.68)</u>	<u>\$50.97</u>	<u>\$1,985.80</u>	<u>\$2,036.77</u>
Total	\$343,889.69	\$8,482,050.87	\$8,825,940.56	\$348,936.11	\$8,678,644.64	\$9,027,580.74	(\$5,046.42)	(\$196,593.77)	(\$201,640.18)
Total Dist/Transm			\$1,061,739.68			\$1,263,379.86			
							% Change - D/T		-16.0%
							% Change - Total Bill		-2.2%

Customer 2

	<u>Proposed Backup</u> (a)	<u>Proposed Supplemental</u> (b)	<u>Total</u> (c)=(b)+(a)	<u>Present Backup</u> (a)	<u>Present Supplemental</u> (b)	<u>Total</u> (c)=(b)+(a)	<u>Proposed Backup</u> (a)	<u>Proposed Supplemental</u> (b)	<u>Total</u> (c)=(b)+(a)
Distribution	\$163,680.00	\$309,859.92	\$473,539.92	\$50,070.24	\$407,536.58	\$457,606.82	\$113,609.76	(\$97,676.66)	\$15,933.10
Transmission	\$91,740.00	\$76,620.67	\$168,360.67	\$91,800.48	\$76,620.67	\$168,421.15	(\$60.48)	\$0.00	(\$60.48)
Transition	\$0.00	\$368,186.94	\$368,186.94	\$0.00	\$368,186.94	\$368,186.94	\$0.00	\$0.00	\$0.00
Conservation	\$0.00	\$99,044.44	\$99,044.44	\$0.00	\$99,044.44	\$99,044.44	\$0.00	\$0.00	\$0.00
Standard Offer	\$0.00	\$2,540,705.20	\$2,540,705.20	\$0.00	\$2,540,705.20	\$2,540,705.20	\$0.00	\$0.00	\$0.00
HVD	(\$24,420.00)	(\$15,581.07)	(\$40,001.07)	(\$24,420.00)	(\$15,581.07)	(\$40,001.07)	\$0.00	\$0.00	\$0.00
HVM	<u>(\$4,608.45)</u>	<u>(\$31,889.93)</u>	<u>(\$36,498.37)</u>	<u>(\$3,472.95)</u>	<u>(\$32,866.69)</u>	<u>(\$36,339.65)</u>	<u>(\$1,135.49)</u>	<u>\$976.77</u>	<u>(\$158.73)</u>
Total	\$226,391.55	\$3,346,946.17	\$3,573,337.72	\$113,977.77	\$3,443,646.06	\$3,557,623.83	\$112,413.79	(\$96,699.89)	\$15,713.90
Total Dist/Transm			\$605,402.21			\$589,688.32			
							% Change - D/T		2.7%
							% Change - Total Bill		0.4%



THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

**Schedule JAL-8**  
**Proposed Tariffs and Cover Sheets**

## THE NARRAGANSETT ELECTRIC COMPANY

**Basic Residential Rate (A-16)**

Retail Delivery Service

Effective  
January 1, 2005

R.I.P.U.C. No. 1170

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$2.54
<u>Non-Bypassable Transition Charge per kWh</u>	0.855¢
<u>Transmission Charge per kWh</u>	0.436¢
<u>Transmission Adjustment Factor per kWh</u>	0.042¢
<u>Distribution Charge per kWh*</u>	3.595¢
<u>Minimum Charge per month</u>	\$2.54
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢ (Eff. Jan. 1, 1997)

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit

**Tax Note:** The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.

Other Rate Clauses apply as usual.

**THE NARRAGANSETT ELECTRIC COMPANY**  
**BASIC RESIDENTIAL RATE (A-16)**  
**RETAIL DELIVERY SERVICE**

**AVAILABILITY**

Electric delivery service under this rate is available for all domestic purposes in an individual private dwelling or an individual private apartment. Service is also available for farm customers where all electricity is delivered by the Company.

The Company may under unusual circumstances permit more than one set of living quarters to be served through one metering installation under this rate, but if so, the Customer Charge shall be multiplied by the number of separate living quarters so served.

A church and adjacent buildings owned and operated by the church may be served under this rate, but any such buildings separated by public ways must be billed separately.

**MONTHLY CHARGE**

The Monthly Charge will be the sum of the applicable Retail Delivery Service Charges set forth in the cover sheet of this tariff.

**CREDIT FOR STORAGE HEATING**

For customers meeting the following conditions, a credit of 1.5 cents per kilowatthour shall be allowed against the amount determined under the preceding provisions. Eligibility for this credit is limited to the following customers: those who were served under Limited Residential Service - Storage Heating (E-30) immediately prior to their transfer to this rate.

Conditions

1. The Customer agrees to install a controlled electric heat storage system and controlled domestic storage electric water heating equipment.
2. The Company will install the metering equipment as well as the control contacts and time clock necessary to synchronize control of the electric heat storage system and the electric storage water heating equipment.
3. The Customer agrees to install separate control systems for the storage heating system and the water heating equipment necessary to properly utilize the time signals to be provided through the Company's equipment as described in 2. These control systems may impose a load of no more than 60 volt-amperes, at currents under 2 amperes and voltages between 24-120 volts, on the Company's control contacts.
4. The Customer agrees to maintain the electric heat storage system, customer owned water heating equipment, and the customer-installed control system in accordance with manufacturers recommended operating practices.
5. The Company reserves the right to restrict the operation of the electric storage heating system and the electric storage water heating equipment to the off-peak hours.



THE NARRAGANSETT ELECTRIC COMPANY  
**BASIC RESIDENTIAL RATE (A-16)**  
RETAIL DELIVERY SERVICE

6. From Monday through Friday there will be 13 peak hours and 11 off-peak hours each day. At present, peak hours will be from 8:00 a.m. to 9:00 p.m. Eastern Standard Time daily Monday through Friday. Off-peak hours will be from 9:00 p.m. to 8:00 a.m. Eastern Standard Time daily Monday through Friday, and all day on Saturdays and Sundays and the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Columbus Day (observed), Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day.

During Daylight Savings Time, the above hours will be:

Peak Hours	9:00 a.m. to 10:00 p.m.
Off-Peak Hours	10:00 p.m. to 9:00 a.m.

The Company reserves the right to change these peak and off-peak hours but in no case will the off-peak hours be limited to less than eleven hours per day.

**CREDIT FOR CONTROLLED WATER HEATING**

If the Customer has installed an electric water heater of a type approved by the Company, and permits the Company to control the operation of the water heater for up to six-teen hours per day and during emergency situations, the Customer will receive a credit of 0.661 cents per kwh for the first 750 kWhs delivered per month. Only those Customers participating in the Company's Home Energy Management Program are eligible for credits under this provision.

**RATE ADJUSTMENT PROVISIONS**

**Transmission Service Charge Adjustment**

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

**Transition Charge Adjustment**

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

**Standard Offer Adjustment**

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

**Conservation and Load Management Adjustment**

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

THE NARRAGANSETT ELECTRIC COMPANY  
**BASIC RESIDENTIAL RATE (A-16)**  
RETAIL DELIVERY SERVICE

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**MINIMUM CHARGE**

\$2.54 per month.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, 2005

## THE NARRAGANSETT ELECTRIC COMPANY

**Low Income Rate (A-60)**

## Retail Delivery Service

Effective  
January 1, 2005

R.I.P.U.C. No. 1171

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Non-Bypassable Transition Charge per kWh</u>	0.855¢
<u>Transmission Charge per kWh</u>	0.338¢
<u>Transmission Adjustment Factor per kWh</u>	0.042¢
<u>Distribution Charges per kWh*</u>	
First 500 kWhs	1.797¢
kWhs in excess of 500	3.595¢
 <u>Conservation and Load Management Adjustment per kWh</u>	 0.230¢ (Eff. Jan. 1, 1997)

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note:** The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**LOW INCOME RATE (A-60)**  
RETAIL DELIVERY SERVICE

**AVAILABILITY**

Service under this rate is available only to currently qualified customers for all domestic purposes in an individual private dwelling or an individual apartment, providing such customer meets both of the following criteria:

1. Must be the head of a household or principal wage earner.
2. Must be presently receiving Supplemental Security Income from the Social Security Administration, be eligible for the low-income home energy assistance program, or one of the following from the appropriate Rhode Island agencies: Medicaid, Food Stamps, General Public Assistance or Family Independence Program

It is the responsibility of the customer to annually certify, by forms provided by the Company, the continued compliance with the foregoing provisions.

The Company may under unusual circumstances permit more than one set of living quarters to be served through one meter under this rate, but if so, the kilowatt-hours eligible for the credit described below shall be multiplied by the number of separate living quarters so served.

**MONTHLY CHARGE**

The Monthly Charge will be the sum of the applicable Retail Delivery Service Charges set forth in the cover sheet of this tariff.

**CREDIT FOR CONTROLLED WATER HEATING**

If the Customer has installed an electric water heater of a type approved by the Company, and permits the Company to control the operation of the water heater for up to six-teen hours per day and during emergency situations, the Customer will receive a credit of 0.661 cents per kwh for the first 750 kWhs delivered per month. Only those Customers participating in the Company's Home Energy Management Program are eligible for credits under this provision

**RATE ADJUSTMENT PROVISIONS**

**Transmission Service Charge Adjustment**

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

**Transition Charge Adjustment**

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

THE NARRAGANSETT ELECTRIC COMPANY  
**LOW INCOME RATE (A-60)**  
RETAIL DELIVERY SERVICE

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, 2005

THE NARRAGANSETT ELECTRIC COMPANY  
**C&I Back-Up Service Rate (B-32)**  
 Retail Delivery Service

Effective  
 January 1, 2005

R.I.P.U.C. No. 1172

Monthly Charge As Adjusted

	<u>Rates for Back-Up Service</u>	<u>Rates for Supplemental Service</u>
<u>Rates for Retail Delivery Service</u>		
<u>Customer Charge per month</u>	\$236.43	n/a
<u>Transmission Demand Charge per kW</u>	\$1.27	\$1.27
<u>Distribution Demand Charge per kW</u>	\$4.90	\$3.12
<u>Transmission Adjustment Factor per kWh</u>	n/a	0.042¢
<u>Distribution Energy Charge per kWh *</u>	n/a	0.544¢
<u>Non-bypassable Transition Charge per kWh</u>	n/a	0.855¢
<u>C&amp;LM Adjustment per kWh</u>	n/a	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	n/a	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	n/a	per Last Resort Service tariff

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

**THE NARRAGANSETT ELECTRIC COMPANY  
C&I BACK-UP SERVICE RATE (B-32)  
RETAIL DELIVERY SERVICE**

## **AVAILABILITY**

This service shall apply to Customers in the class identified below:

- (i) who receive all or any portion of their electric supply from non-emergency generation unit(s) with a nameplate rating greater than 30 kW ("Generation Units"), where electricity received by the Customer from the Generation Units is not being delivered over Company-owned distribution facilities pursuant to an applicable retail delivery tariff, and
- (ii) who expect the Company to provide retail delivery service to supply the Customer's load at the service location when the Generation Units are not supplying all of that load.

Electric delivery service under this rate is applicable to customers with a Demand of 10 kilowatts or more. Notwithstanding the foregoing, the Company may require any customer with a 12-month average Demand greater than 3,000 kW to take service on the 3,000 kW Demand Back-up Service Rate B-62.

This tariff shall not apply to customers with a contracted demand of 25 kVA or less.

All Customers served on this rate must elect to take their total electric delivery service under the metering installation as approved by the Company.

## **TYPES OF SERVICE**

"Back-Up" Retail Delivery Service consists of the Company standing ready to provide retail delivery service to the Customer's load when a non-emergency generator that supplies electricity to the Customer without using Company-owned distribution facilities does not supply all of the Customer's load.

"Supplemental" Retail Delivery Service is the delivery over Company-owned distribution facilities of electricity which is utilized at the Customer's facilities.

## **MONTHLY CHARGE**

The Monthly Charge will be the sum of the Back-Up Service Charges, and the Supplemental Service Charges, as stated below.

## **BACK-UP RETAIL DELIVERY SERVICE**

### **a) Rates for Back-Up Retail Delivery Service**

<u>Customer Charge per month</u>	see cover sheet
<u>Distribution Charge per kW</u>	see cover sheet
<u>Transmission Charge per kW</u>	see cover sheet

THE NARRAGANSETT ELECTRIC COMPANY  
**C&I BACK-UP SERVICE RATE (B-32)**  
RETAIL DELIVERY SERVICE

**b) Determination of Kilowatt Demand**

The Company will establish the kilowatt demand to be used for billing Back-Up Service at the level of distribution capacity reserved for the Customer, stated in kilowatts or kilovoltamperes. This demand (or “contractual demand”) shall be equal to the generating capability or expected output of the Customer’s Generation Unit(s), but shall not exceed the customer’s maximum connected load. For a Customer whose actual generation exceeds its contractual demand in any month, a new contractual demand will be established as the greater of the following:

- 1) The greatest fifteen-minute peak of the Customer’s Generation Unit(s) occurring in such month as measured in kilowatts; and
- 2) 90% of the greatest fifteen-minute peak of the Customer’s Generation Unit(s) occurring in such month as measured in kilovolt-amperes.

If for any reason the Company is unable to meter the Customer’s Generation Units, the contractual demand shall be established by the Company at the Company’s estimate of the maximum possible generating capability of the Customer’s Generation Units.

**d) Installation of Meters on Generation**

If the Customer elects to be billed on actual meter readings from generators rather than estimates, the Customer shall permit the Company to install meter(s) on the Generation Units providing electricity to the Customer, for purposes of billing under the terms of this rate. The meter shall be in accordance with the Company’s reasonable specifications. The Customer will reimburse the Company for the installed cost of the meter and any associated equipment. The Customer shall provide reasonable access to the Company during normal business hours to read such meter in order to bill the Customer for service under this rate .

**PEAK AND OFF-PEAK PERIODS**

PEAK HOURS:	June - September	-- 8 a.m. - 10 p.m. Weekdays,
	December - February	-- 7 a.m. - 10 p.m. Weekdays
	October - November	
	March - May	-- 8 a.m. - 9 p.m. Weekdays

OFF-PEAK HOURS: All other hours

Weekdays shall mean Monday through Friday, excluding the following holidays: New Year’s Day, President’s Day, Memorial Day, Independence Day, Columbus Day (observed), Labor Day, Veterans Day, Thanksgiving Day and Christmas Day.



THE NARRAGANSETT ELECTRIC COMPANY  
**C&I BACK-UP SERVICE RATE (B-32)**  
RETAIL DELIVERY SERVICE

**SUPPLEMENTAL RETAIL DELIVERY SERVICE**

**a) Rates for Supplemental Retail Delivery Service**

<u>Transmission Charge per kW</u>	see cover sheet
<u>Distribution Charge per kW</u>	see cover sheet
<u>Distribution Charge per kWh</u>	see cover sheet
<u>Non-Bypassable Transition Charge per kWh</u>	see cover sheet

**b) Assessment of Kilowatthour Charges**

For purposes of billing kWh charges for Supplemental Retail Delivery Service, Customers will be billed on the greater of (i) the actual kWh delivered by the Company or (ii) 80% of the actual kVAh delivered less generated kWh usage.

For purposes of billing kWh charges for Standard Offer Service or Last Resort Power Service, Customers will be billed on actual kWh delivered by the Company.

**c) Determination of Kilowatt Demand**

The Demand for each month for Supplemental Service shall be the greatest of the following:

- 1) The greatest fifteen-minute delivery peak occurring in such month during Peak hours as measured in kilowatts;
- 2) 90% of the greatest fifteen-minute delivery peak occurring in such month during Peak hours as measured in kilovolt-amperes;
- 3) 75% of the greatest Demand as so determined above during the preceding eleven months.

**Adjustments**

- (i) In the case of an outage or reduction in output of customer generation below the contractual demand, the Customer's demand for purposes of billing Supplemental Retail Delivery Service will be adjusted by the difference between the amount of the contractual demand and the actual output of the generator for the period of the reduction or outage.
- (ii) In the case of a Customer generating kilowatts, but receiving reactive power from the Company for their reactive load requirements that otherwise should be supplied by such generation, the Customer's KVA demand for purposes of billing Supplemental Retail Delivery Service will be adjusted to properly account for the actual output of the generator.

**THE NARRAGANSETT ELECTRIC COMPANY  
C&I BACK-UP SERVICE RATE (B-32)  
RETAIL DELIVERY SERVICE**

- (iii) For purposes of the adjustments referred in clauses (i) and (ii) above, if for any reason the Company is unable to meter the Customer's Generation Units, the Company may estimate any adjustment the Company reasonably believes is required. In such case, the Company may request presentation of reasonably reliable documentation from the Customer regarding the operation of the Generation Units before making any such adjustment.

**OPTIONAL DETERMINATION OF DEMAND**

A Customer who has been served under this rate for one year or more may upon written request have the Demand for each month used for Supplemental Service be based upon the greatest of items (1) and (2) set forth above for Kilowatt Demand, beginning with the next month after such request and running for a period of not less than two consecutive months. In such case, all charges for Supplemental Service will be increased by 20% during any such period.

**RATE ADJUSTMENT PROVISIONS**

Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**THE NARRAGANSETT ELECTRIC COMPANY  
C&I BACK-UP SERVICE RATE (B-32)  
RETAIL DELIVERY SERVICE**

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**CREDIT FOR HIGH VOLTAGE DELIVERY**

If the Customer takes delivery at the Company's supply line voltage, not less than 2400 volts, and the Company is saved the cost of installing any transformer and associated equipment, a credit of 37 cents per kilowatt of billing demand for such month shall be allowed against the amount determined under the preceding provisions.

An additional credit of \$2.41 per kilowatt of the billing demand for such month shall also be allowed if the Customer accepts delivery at not less than 115,000 volts, and the Company is saved the cost of installing any transformer and associated equipment.

The total amount of the credit allowed under this provision shall not exceed the sum of the Customer Charge, the Distribution Demand Charge and the Distribution kWh Charge.

**HIGH-VOLTAGE METERING ADJUSTMENT**

The Company reserves the right to determine the metering installation. Where service is metered at the Company's supply line voltage, in no case less than 2400 volts, thereby saving the Company transformer losses, a discount of 1% will be allowed from the amount determined under the preceding provisions.

**SECOND FEEDER SERVICE**

Except as provided below, Customers receiving second feeder service shall pay \$2.41 per 80% of KVA of reserved second feeder capability. The charge for second feeder capability shall apply only to Customers with second feeder capability installed on or after May 1, 1998. The charge for second feeder capability shall not apply to Customers taking service within the Capital Center of Providence or within the downtown Providence underground network system. The Company's Construction Advance Policy C shall apply to determine any advance contribution by the customer, using an estimate of revenues to be derived from this second feeder rate. The Company reserves the right to decline second feeder service for engineering reasons.

An additional \$0.37 per 80% of KVA of reserved second feeder capability shall be charged if an additional transformer is required at the Customer's facility.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**GROSS EARNINGS TAX CREDIT FOR MANUFACTURERS**

Consistent with the gross receipts tax exemption provided in Section 44-13-35 of Rhode Island General Laws, eligible manufacturing customers will be exempt from the Gross Earnings Tax to the extent allowed by the Division of Taxation.

**THE NARRAGANSETT ELECTRIC COMPANY**  
**C&I BACK-UP SERVICE RATE (B-32)**  
**RETAIL DELIVERY SERVICE**

Eligible manufacturing customers are those customers who have on file with the Company a valid certificate of exemption from the Rhode Island sales tax (under section 44-18-30(H) of Rhode Island General Laws) indicating the customer's status as a manufacturer. If the Division of Taxation (or other Rhode Island taxing authority with jurisdiction) disallows any part or all of the exemption as it applies to a customer, the customer will be required to reimburse the Company in the amount of the credits provided to such customer which were disallowed, including any interest required to be paid by the Company to such authority.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, 2005

THE NARRAGANSETT ELECTRIC COMPANY  
**3,000 kW Back-Up Service Rate (B-62)**  
Retail Delivery Service

Effective  
January 1, 2005

R.I.P.U.C. No. 1173

Monthly Charge As Adjusted

	<u>Rates for Back-Up Service</u>	<u>Rates for Supplemental Service</u>
<u>Rates for Retail Delivery Service</u>		
<u>Customer Charge per month</u>	\$17,118.72	n/a
<u>Distribution Demand Charge per kW</u>	\$2.48	\$2.48
<u>Transmission Demand Charge per kW</u>	\$1.39	\$1.39
<u>Transmission Adjustment Factor per kWh</u>	n/a	0.042¢
<u>Distribution Energy Charge per kWh *</u>	n/a	0.000¢
<u>Non-bypassable Transition Charge per kWh</u>	n/a	0.855¢
<u>C&amp;LM Adjustment per kWh</u>	n/a	0.230¢
<u>Rates for Standard Offer Service or Last Resort Service (Optional)</u>		
<u>Standard Offer per kWh</u>	n/a	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	n/a	per Last Resort Service tariff

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

**THE NARRAGANSETT ELECTRIC COMPANY  
3,000 kW DEMAND BACK-UP SERVICE RATE (B-62)  
RETAIL DELIVERY SERVICE**

**AVAILABILITY**

This service shall apply to Customers in the class identified below:

- (i) who receive all or any portion of their electric supply from non-emergency generation unit(s) with a nameplate rating greater than 30 kW ("Generation Units"), where electricity received by the Customer from the Generation Units is not being delivered over Company-owned distribution facilities pursuant to an applicable retail delivery tariff, and
- (ii) who expect the Company to provide retail delivery service to supply the Customer's load at the service location when the Generation Units are not supplying all of that load.

Electric delivery service under this rate is applicable to those Customers who would otherwise be served under the Company's 3,000 kW Demand Rate G-62 if the Generation Units were not supplying electricity to the Customer. This tariff shall not apply to customers with a contracted demand of 25 kVA or less.

All Customers served on this rate must elect to take their total electric delivery service under the metering installation as approved by the Company.

**TYPES OF SERVICE**

"Back-Up" Retail Delivery Service consists of the Company standing ready to provide retail delivery service to the Customer's load when a non-emergency generator that supplies electricity to the Customer without using Company-owned distribution facilities does not supply all of the Customer's load.

"Supplemental" Retail Delivery Service is the delivery over Company-owned distribution facilities of electricity which is utilized at the Customer's facilities.

**MONTHLY CHARGE**

The Monthly Charge will be the sum of the Back-Up Service Charges, and the Supplemental Service Charges, as stated below.

**BACK-UP RETAIL DELIVERY SERVICE**

**a) Rates for Back-Up Retail Delivery Service**

<u>Customer Charge per month</u>	see cover sheet
<u>Distribution Charge per kW</u>	see cover sheet
<u>Transmission Charge per kW</u>	see cover sheet

THE NARRAGANSETT ELECTRIC COMPANY  
**3,000 kW DEMAND BACK-UP SERVICE RATE (B-62)**  
RETAIL DELIVERY SERVICE

**b) Determination of Kilowatt Demand**

The Company will establish the kilowatt demand to be used for billing Back-Up Service at the level of distribution capacity reserved for the Customer, stated in kilowatts or kilovoltamperes. This demand (or “contractual demand”) shall be equal to the generating capability or expected output of the Customer’s Generation Unit(s), but shall not exceed the customer’s maximum connected load. For a Customer whose actual generation exceeds its contractual demand in any month, a new contractual demand will be established as the greater of the following:

- 1) The greatest fifteen-minute peak of the Customer’s Generation Unit(s) occurring in such month as measured in kilowatts; and
- 2) 90% of the greatest fifteen-minute peak of the Customer’s Generation Unit(s) occurring in such month as measured in kilovolt-amperes.

If for any reason the Company is unable to meter the Customer’s Generation Units, the contractual demand shall be established by the Company at the Company’s estimate of the maximum possible generating capability of the Customer’s Generation Units.

**d) Installation of Meters on Generation**

If the Customer elects to be billed on actual meter readings from generators rather than estimates, the Customer shall permit the Company to install meter(s) on the Generation Units providing electricity to the Customer, for purposes of billing under the terms of this rate. The meter shall be in accordance with the Company’s reasonable specifications. The Customer will reimburse the Company for the installed cost of the meter and any associated equipment. The Customer shall provide reasonable access to the Company during normal business hours to read such meter in order to bill the Customer for service under this rate .

**PEAK AND OFF-PEAK PERIODS:**

PEAK HOURS:	June - September	-- 8 a.m. - 10 p.m. Weekdays,
	December - February	-- 7 a.m. - 10 p.m. Weekdays
	October - November	
	March - May	-- 8 a.m. - 9 p.m. Weekdays

OFF-PEAK HOURS: All other hours

Weekdays shall mean Monday through Friday, excluding the following holidays: New Year’s Day, President’s Day, Memorial Day, Independence Day, Columbus Day (observed), Labor Day, Veteran’s Day, Thanksgiving Day and Christmas Day.

THE NARRAGANSETT ELECTRIC COMPANY  
**3,000 kW DEMAND BACK-UP SERVICE RATE (B-62)**  
RETAIL DELIVERY SERVICE

**SUPPLEMENTAL RETAIL DELIVERY SERVICE**

**a) Rates for Supplemental Retail Delivery Service**

<u>Transmission Charge per kW</u>	see cover sheet
<u>Distribution Charge per kW</u>	see cover sheet
<u>Distribution Charge per kWh</u>	see cover sheet
<u>Non-Bypassable Transition Charge per kWh</u>	see cover sheet

**b) Assessment of Kilowatthour Charges**

For purposes of billing kWh charges for Supplemental Retail Delivery Service, Customers will be billed on the greater of (i) the actual kWh delivered by the Company or (ii) 80% of the actual kVAh delivered less generated kWh usage.

For purposes of billing kWh charges for Standard Offer Service or Last Resort Power Service, Customers will be billed on actual kWh delivered by the Company.

**c) Determination of Kilowatt Demand**

The Demand for each month for Supplemental Service shall be the greatest of the following:

- 1) The greatest fifteen-minute delivery peak occurring in such month during Peak hours as measured in kilowatts;
- 2) 90% of the greatest fifteen-minute delivery peak occurring in such month during Peak hours as measured in kilovolt-amperes;
- 3) 75% of the greatest Demand as so determined above during the preceding eleven months.

**Adjustments**

- (i) In the case of an outage or reduction in output of customer generation below the contractual demand, the Customer's demand for purposes of billing Supplemental Retail Delivery Service will be adjusted by the difference between the amount of the contractual demand and the actual output of the generator for the period of the reduction or outage.
- (ii) In the case of a Customer generating kilowatts, but receiving reactive power from the Company for their reactive load requirements that otherwise should be supplied by such generation, the Customer's KVA demand for purposes of billing Supplemental Retail Delivery Service will be adjusted to properly account for the actual output of the generator.



**THE NARRAGANSETT ELECTRIC COMPANY  
3,000 kW DEMAND BACK-UP SERVICE RATE (B-62)  
RETAIL DELIVERY SERVICE**

- (iii) For purposes of the adjustments referred in clauses (i) and (ii) above, if for any reason the Company is unable to meter the Customer's Generation Units, the Company may estimate any adjustment the Company reasonably believes is required. In such case, the Company may request presentation of reasonably reliable documentation from the Customer regarding the operation of the Generation Units before making any such adjustment.

**OPTIONAL DETERMINATION OF DEMAND**

A Customer who has been served under this rate for one year or more may upon written request have the Demand for each month used for Supplemental Service be based upon the greatest of items (1) and (2) set forth above for Kilowatt Demand, beginning with the next month after such request and running for a period of not less than two consecutive months. In such case, all charges for Supplemental Service will be increased by 20% during any such period.

**RATE ADJUSTMENT PROVISIONS**

Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**THE NARRAGANSETT ELECTRIC COMPANY  
3,000 kW DEMAND BACK-UP SERVICE RATE (B-62)  
RETAIL DELIVERY SERVICE**

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**CREDIT FOR HIGH VOLTAGE DELIVERY**

If the Customer takes delivery at the Company's supply line voltage, not less than 2400 volts, and the Company is saved the cost of installing any transformer and associated equipment, a credit of 37 cents per kilowatt of billing demand for such month shall be allowed against the amount determined under the preceding provisions.

An additional credit of \$2.41 per kilowatt of the billing demand for such month shall also be allowed if the Customer accepts delivery at not less than 115,000 volts, and the Company is saved the cost of installing any transformer and associated equipment.

The total amount of the credit allowed under this provision shall not exceed the sum of the Customer Charge, the Distribution Demand Charge and the Distribution kWh Charge.

**HIGH-VOLTAGE METERING ADJUSTMENT**

The Company reserves the right to determine the metering installation. Where service is metered at the Company's supply line voltage, in no case less than 2400 volts, thereby saving the Company transformer losses, a discount of 1% will be allowed from the amount determined under the preceding provisions.

**SECOND FEEDER SERVICE**

Except as provided below, Customers receiving second feeder service shall pay \$2.41 per 80% of KVA of reserved second feeder capability. The charge for second feeder capability shall apply only to Customers with second feeder capability installed on or after May 1, 1998. The charge for second feeder capability shall not apply to Customers taking service within the Capital Center of Providence or within the downtown Providence underground network system. The Company's Construction Advance Policy C shall apply to determine any advance contribution by the customer, using an estimate of revenues to be derived from this second feeder rate. The Company reserves the right to decline second feeder service for engineering reasons.

An additional \$0.37 per 80% of KVA of reserved second feeder capability shall be charged if an additional transformer is required at the Customer's facility.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**GROSS EARNINGS TAX CREDIT FOR MANUFACTURERS**

Consistent with the gross receipts tax exemption provided in Section 44-13-35 of Rhode Island General Laws, eligible manufacturing customers will be exempt from the Gross Earnings Tax to the extent allowed by the Division of Taxation.

**THE NARRAGANSETT ELECTRIC COMPANY**  
**3,000 kW DEMAND BACK-UP SERVICE RATE (B-62)**  
**RETAIL DELIVERY SERVICE**

Eligible manufacturing customers are those customers who have on file with the Company a valid certificate of exemption from the Rhode Island sales tax (under section 44-18-30(H) of Rhode Island General Laws) indicating the customer's status as a manufacturer. If the Division of Taxation (or other Rhode Island taxing authority with jurisdiction) disallows any part or all of the exemption as it applies to a customer, the customer will be required to reimburse the Company in the amount of the credits provided to such customer which were disallowed, including any interest required to be paid by the Company to such authority.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, 2005

## THE NARRAGANSETT ELECTRIC COMPANY

**Small C&I Rate (C-06)**

## Retail Delivery Service

Effective  
January 1, 2005

R.I.P.U.C. No. 1174

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$5.73
<u>Unmetered Charge per month</u>	\$1.83
<u>Non-Bypassable Transition Charge per kWh</u>	0.855¢
<u>Transmission Charge per kWh</u>	0.536¢
<u>Transmission Adjustment Factor per kWh</u>	0.042¢
<u>Distribution Charge per kWh*</u>	3.628¢ (Eff. Jan 1, 2005) 3.622¢ (Eff. Jan 1, 2006) 3.615¢ (Eff. Jan 1, 2007) 3.609¢ (Eff. Jan 1, 2008) 3.602¢ (Eff. Jan 1, 2009)
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢ (Eff. Jan 1, 1997)

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

\*In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**SMALL C&I RATE (C-06)**  
RETAIL DELIVERY SERVICE

**AVAILABILITY**

Electric delivery service under this rate is available for all purposes. If electricity is delivered through more than one meter, except at the Company's option, the Monthly Charge for service through each meter shall be computed separately under this rate. Notwithstanding the foregoing, the Company may require any customer with a 12-month average demand greater than 200 kW to take service on the 200 kW Demand Rate G-32.

**MONTHLY CHARGE**

The Monthly Charge will be the sum of the applicable Retail Delivery Service Charges set forth in the cover sheet of this tariff.

**RATE ADJUSTMENT PROVISIONS**

Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**THE NARRAGANSETT ELECTRIC COMPANY  
SMALL C&I RATE (C-06)  
RETAIL DELIVERY SERVICE**

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**MINIMUM CHARGE**

Metered Service:	\$5.73 per month.
Unmetered Service:	\$1.83 per month.

However, if the kVA transformer capacity needed to serve a customer exceeds 25 kVA, the minimum charge will be increased by \$1.68 for each kVA in excess of 25 kVA.

**UNMETERED ELECTRIC SERVICE**

Unmetered services are usually not permitted or desirable. However, the Company recognizes that there are certain instances where metering is not practical. Examples of such locations are telephone booths and fire box lights. The monthly bill will be computed by applying the rate schedule to a use determined by multiplying the total load in kilowatts by 730 hours. However, the energy use may be adjusted after tests of the unmetered equipment indicate lesser usage. When unmetered service is provided the aforesaid customer charge will be waived and a \$1.83 per month per location service charge will be implemented.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**GROSS EARNINGS TAX CREDIT FOR MANUFACTURERS**

Consistent with the gross receipts tax exemption provided in Section 44-13-35 of Rhode Island General Laws, eligible manufacturing customers will be exempt from the Gross Earnings Tax to the extent allowed by the Division of Taxation.

Eligible manufacturing customers are those customers who have on file with the Company a valid certificate of exemption from the Rhode Island sales tax (under section 44-18-30(H) of Rhode Island General Laws) indicating the customer's status as a manufacturer. If the Division of Taxation (or other Rhode Island taxing authority with jurisdiction) disallows any part or all of the exemption as it applies to a customer, the customer will be required to reimburse the Company in the amount of the credits provided to such customer which were disallowed, including any interest required to be paid by the Company to such authority.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, 2005

## THE NARRAGANSETT ELECTRIC COMPANY

**General C&I Rate (G-02)**

Retail Delivery Service

Effective  
January 1, 2005

R.I.P.U.C. No. 1175

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$103.41
<u>Transmission Charge per kW in excess of 10 kW</u>	\$1.40
<u>Distribution Charge per kW in excess of 10 kW</u>	\$3.63
<u>Non-Bypassable Transition Charge per kWh</u>	0.855¢
<u>Transmission Adjustment Factor per kWh</u>	0.042¢
<u>Distribution Charge per kWh*</u>	0.942¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢ (Eff. Jan. 1, 1997)

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**GENERAL C&I RATE (G-02)**  
RETAIL DELIVERY SERVICE

**AVAILABILITY**

Electric delivery service under this rate is available for all purposes to customers with a Demand of 10 kilowatts or more. If electricity is delivered through more than one meter, except at the Company's option, the Monthly Charge for service through each meter shall be computed separately under this rate. Notwithstanding the foregoing, the Company may require any customer with a 12-month average Demand greater than 200 kW to take service on the 200 kW Demand Rate G-32.

**MONTHLY CHARGE**

The Monthly Charge will be the sum of the Retail Delivery Service Charges set forth in the cover sheet of this tariff.

**RATE ADJUSTMENT PROVISIONS**

Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.



THE NARRAGANSETT ELECTRIC COMPANY  
**GENERAL C&I RATE (G-02)**  
RETAIL DELIVERY SERVICE

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**DEMAND**

The Demand for each month under ordinary load conditions shall be the greatest of the following:

- a) The greatest fifteen-minute peak occurring during such month as measured in kilowatts,
- b) 90% of the greatest fifteen-minute peak occurring during the month as measured in kilovolt-amperes, where the Customer's Demand exceeds 75 kilowatts,
- c) 75% of the greatest Demand as so determined above during the preceding eleven months,
- d) 10 kilowatts.

Any Demands established during the eleven months prior to the application of this rate shall be considered as having been established under this rate.

**OPTIONAL DETERMINATION OF DEMAND**

A Customer who has been served hereunder for one year or more may upon written request have the Demand for each month, beginning with the next month after such request and running for a period of not less than two consecutive months, be based upon the greatest of items a), b) and d) above. In such case, the Demand Charges and the Energy Charges will be increased by 20% during any such period.

**CREDIT FOR HIGH VOLTAGE DELIVERY**

If the Customer takes delivery at the Company's supply line voltage, not less than 2400 volts, and the Company is saved the cost of installing any transformer and associated equipment, a credit of 37 cents per kilowatt of billing demand for such month shall be allowed against the amount determined under the preceding provisions.

**HIGH-VOLTAGE METERING ADJUSTMENT**

The Company reserves the right to determine the metering installation. Where service is metered at the Company's supply line voltage, in no case less than 2400 volts, thereby saving the Company transformer losses, a discount of 1% will be allowed from the amount determined under the preceding provisions.

**THE NARRAGANSETT ELECTRIC COMPANY  
GENERAL C&I RATE (G-02)  
RETAIL DELIVERY SERVICE**

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**GROSS EARNINGS TAX CREDIT FOR MANUFACTURERS**

Consistent with the gross receipts tax exemption provided in Section 44-13-35 of Rhode Island General Laws, eligible manufacturing customers will be exempt from the Gross Earnings Tax to the extent allowed by the Division of Taxation.

Eligible manufacturing customers are those customers who have on file with the Company a valid certificate of exemption from the Rhode Island sales tax (under section 44-18-30(H) of Rhode Island General Laws) indicating the customer's status as a manufacturer. If the Division of Taxation (or other Rhode Island taxing authority with jurisdiction) disallows any part or all of the exemption as it applies to a customer, the customer will be required to reimburse the Company in the amount of the credits provided to such customer which were disallowed, including any interest required to be paid by the Company to such authority.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, 2005

## THE NARRAGANSETT ELECTRIC COMPANY

**200 kW Demand Rate (G-32)**

## Retail Delivery Service

Effective  
January 1, 2005

R.I.P.U.C. No. 1176

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$236.43
<u>Transmission Charge per kW</u>	\$1.27
<u>Distribution Charge per kW</u>	\$3.12
<u>Non-Bypassable Transition Charge per kWh</u>	0.855¢
<u>Transmission Adjustment Factor per kWh</u>	0.042¢
<u>Distribution Charge per kWh*</u>	0.544¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢ (Eff. Jan. 1, 1997)

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per Wh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**200 kW DEMAND RATE (G-32)**  
RETAIL DELIVERY SERVICE

**AVAILABILITY**

Electric delivery service shall be taken under this rate for all purposes by any customer who is placed on the rate by the Company in accordance with this paragraph. The Company shall place on this rate any customer who has a 12-month average Demand of 200 kW or greater for 3 consecutive months as soon as practicable. Notwithstanding the foregoing, the Company may require any customer with a 12-month maximum demand of 3000 kW or greater to take delivery service on the 3000 kW Demand Rate G-62 (subject to the settlement provisions in Docket No. 2290).

If electricity is delivered through more than one meter, except at the Company's option, the Monthly Charge for delivery service through each meter shall be computed separately under this rate. If any electricity is delivered hereunder at a given location, then all electricity deliveries by the Company at such location shall be delivered hereunder.

New Customers: Service will initially be taken under this rate by any new customer who requests service capability of 225 kVA or greater.

Transfers From Rate G-32: Any customer whose 12-month average demand is less than 180 kW for twelve consecutive months may elect to transfer from the 200 kW Demand Rate G-32 to another available rate.

**MONTHLY CHARGE**

The Monthly Charge will be the sum of the Retail Delivery Service Charges set forth in the cover sheet of this tariff.

**PEAK OFF-PEAK PERIODS**

PEAK HOURS:	June - September	-- 8 a.m. - 10 p.m. Weekdays,
	December - February	-- 7 a.m. - 10 p.m. Weekdays
	October – November and	
	March - May	-- 8 a.m. - 9 p.m. Weekdays

OFF-PEAK HOURS:	All other hours
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**THE NARRAGANSETT ELECTRIC COMPANY**  
**200 kW DEMAND RATE (G-32)**  
**RETAIL DELIVERY SERVICE**

Weekdays shall mean Monday through Friday, excluding the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Columbus Day (observed), Labor Day, Veteran's Day, Thanksgiving Day and Christmas Day.

**RATE ADJUSTMENT PROVISIONS**

Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

THE NARRAGANSETT ELECTRIC COMPANY  
**200 kW DEMAND RATE (G-32)**  
RETAIL DELIVERY SERVICE

**DEMAND**

The Demand for each month under ordinary load conditions shall be the greatest of the following:

- a) The greatest fifteen-minute peak occurring in such month during Peak or Shoulder hours as measured in kilowatts,
- b) 90% of the greatest fifteen-minute peak occurring in such month during Peak or Shoulder hours as measured in kilovolt-amperes,
- c) 75% of the greatest Demand as so determined above during the preceding eleven months, and
- d) 10 kilowatts.

**OPTIONAL DETERMINATION OF DEMAND**

A Customer who has been served hereunder for one year or more may upon written request have the Demand for each month, beginning with the next month after such request and running for a period of not less than two consecutive months, be based upon the greatest of items (a), (b) and (d) above. In such case, the Demand Charge and the Energy Charge will be increased by 20% during any such period.

**CREDIT FOR HIGH VOLTAGE DELIVERY**

If the Customer takes delivery at the Company's supply line voltage, not less than 2400 volts, and the Company is saved the cost of installing any transformer and associated equipment, a credit of 37 cents per kilowatt of billing demand for such month shall be allowed against the amount determined under the preceding provisions.

An additional credit of \$2.41 per kilowatt of the billing demand for such month shall also be allowed if said customer accepts delivery at not less than 115,000 volts, and the Company is saved the cost of installing any transformer and associated equipment.

The total amount of the credit allowed under this provision shall not exceed the sum of the Customer Charge, the Distribution Demand Charge and the Distribution kWh Charge.

**HIGH-VOLTAGE METERING ADJUSTMENT**

The Company reserves the right to determine the metering installation. Where service is metered at the Company's supply line voltage, in no case less than 2400 volts, thereby saving the Company transformer losses, a discount of 1% will be allowed from the amount determined under the preceding provisions.

**SECOND FEEDER SERVICE**

Except as provided below, Customers receiving second feeder service shall pay \$2.41 per 90% of KVA of reserved second feeder capability. The charge for second feeder capability shall apply only to Customers with second feeder capability installed on or after May 1, 1998. The charge for second feeder capability shall not apply to Customers taking service within the Capital Center of Providence or within the downtown Providence underground network system. The Company's Construction Advance Policy C shall apply to determine any

**THE NARRAGANSETT ELECTRIC COMPANY  
200 kW DEMAND RATE (G-32)  
RETAIL DELIVERY SERVICE**

advance contribution by the customer, using an estimate of revenues to be derived from this second feeder rate. The Company reserves the right to decline second feeder service for engineering reasons.

An additional \$0.37 per 90% of KVA of reserved second feeder capability shall be charged if an additional transformer is required at the Customer's facility.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**GROSS EARNINGS TAX CREDIT FOR MANUFACTURERS**

Consistent with the gross receipts tax exemption provided in Section 44-13-35 of Rhode Island General Laws, eligible manufacturing customers will be exempt from the Gross Earnings Tax to the extent allowed by the Division of Taxation.

Eligible manufacturing customers are those customers who have on file with the Company a valid certificate of exemption from the Rhode Island sales tax (under section 44-18-30(H) of Rhode Island General Laws) indicating the customer's status as a manufacturer. If the Division of Taxation (or other Rhode Island taxing authority with jurisdiction) disallows any part or all of the exemption as it applies to a customer, the customer will be required to reimburse the Company in the amount of the credits provided to such customer which were disallowed, including any interest required to be paid by the Company to such authority.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, 2005

## THE NARRAGANSETT ELECTRIC COMPANY

**3000 kW Demand Rate (G-62)**

Retail Delivery Service

Effective  
January 1, 2005

R.I.P.U.C. No. 1177

Monthly Charge As Adjusted

Rates for Retail Delivery Services

<u>Customer Charge per month</u>	\$17,118.72
<u>Transmission Charge per kW</u>	\$1.39
<u>Distribution Charge per kW</u>	\$2.48
<u>Non-Bypassable Transition Charge per kWh</u>	0.855¢
<u>Transmission Adjustment Factor per kWh</u>	0.042¢
<u>Distribution Charge per kWh*</u>	0.000¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢ (Eff. Jan. 1, 1997)

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note:** The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.

Other Rate Clauses apply as usual.



THE NARRAGANSETT ELECTRIC COMPANY  
**3000 kW DEMAND RATE (G-62)**  
RETAIL DELIVERY SERVICE

**AVAILABILITY**

Electric delivery service shall be taken under this rate for all purposes by any customer who is placed on the rate by the Company in accordance with this paragraph. The Company shall place on this rate any customer who has a 12-month maximum Demand of 3,000 kW or greater. Delivery service can be taken under this rate by customers who do not meet the qualifications on a voluntary basis.

If electricity is delivered through more than one meter, except at the Company's option, the Monthly Charge for service through each meter shall be computed separately under this rate. If any electricity is delivered hereunder at a given location, then all electricity delivered by the Company at such location shall be delivered hereunder.

New Customers: Delivery service will initially be taken under this rate by any new customer who requests delivery service capability of 3,375 kVA or greater.

Transfers From Rate G-62: Any customer whose 12-month maximum demand is less than 2,700 kW for twelve consecutive months may elect to transfer from the 3,000 kW Demand Rate G-62 to another available rate.

**MONTHLY CHARGE**

The Monthly Charge will be the sum of the Retail Delivery Service Charges set forth in the cover sheet of this tariff.

**PEAK, SHOULDER AND OFF-PEAK PERIODS**

PEAK HOURS:	June - September	--	8 a.m. - 10 p.m. Weekdays,
	December - February	--	7 a.m. - 10 p.m. Weekdays
	October - November and		
	March - May	--	8 a.m. - 9 p.m. Weekdays

OFF-PEAK HOURS: All other hours

Weekdays shall mean Monday through Friday, excluding the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Columbus Day (observed), Labor Day, Veteran's Day, Thanksgiving Day and Christmas Day.

**RATE ADJUSTMENT PROVISIONS**

Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

THE NARRAGANSETT ELECTRIC COMPANY  
**3000 kW DEMAND RATE (G-62)**  
RETAIL DELIVERY SERVICE

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**DEMAND**

The Demand for each month under ordinary load conditions shall be the greatest of the following:

- a) The greatest fifteen-minute peak occurring in such month during Peak or Shoulder hours as measured in kilowatts,
- b) 90% of the greatest fifteen-minute peak occurring in such month during Peak or Shoulder hours as measured in kilovolt-amperes,
- c) 75% of the greatest Demand as so determined above during the preceding eleven months, and
- d) 10 kilowatts.

**THE NARRAGANSETT ELECTRIC COMPANY  
3000 kW DEMAND RATE (G-62)  
RETAIL DELIVERY SERVICE**

**OPTIONAL DETERMINATION OF DEMAND**

A Customer who has been served hereunder for one year or more may upon written request have the Demand for each month, beginning with the next month after such request and running for a period of not less than two consecutive months, be based upon the greatest of items (a), (b) and (d) above. In such case, the Demand Charge and the Energy Charge will be increased by 20% during any such period.

**CREDIT FOR HIGH VOLTAGE DELIVERY**

If the Customer takes delivery at the Company's supply line voltage, not less than 2400 volts, and the Company is saved the cost of installing any transformer and associated equipment, a credit of 37 cents per kilowatt of billing demand for such month shall be allowed against the amount determined under the preceding provisions.

An additional credit of \$2.41 per kilowatt of the billing demand for such month shall also be allowed if said customer accepts delivery at not less than 115,000 volts, and the Company is saved the cost of installing any transformer and associated equipment.

The total amount of the credit allowed under this provision shall not exceed the sum of the Customer Charge, the Distribution Demand Charge and the Distribution kWh Charge.

**HIGH-VOLTAGE METERING ADJUSTMENT**

The Company reserves the right to determine the metering installation. Where service is metered at the Company's supply line voltage, in no case less than 2400 volts, thereby saving the Company transformer losses, a discount of 1% will be allowed from the amount determined under the preceding provisions.

**SECOND FEEDER SERVICE**

Except as provided below, Customers receiving second feeder service shall pay \$2.41 per 90% of KVA of reserved second feeder capability. The charge for second feeder capability shall apply only to Customers with second feeder capability installed on or after May 1, 1998. The charge for second feeder capability shall not apply to Customers taking service within the Capital Center of Providence or within the downtown Providence underground network system. The Company's Construction Advance Policy C shall apply to determine any advance contribution by the customer, using an estimate of revenues to be derived from this second feeder rate. The Company reserves the right to decline second feeder service for engineering reasons.

An additional \$0.37 per 90% of KVA of reserved second feeder capability shall be charged if an additional transformer is required at the Customer's facility.

THE NARRAGANSETT ELECTRIC COMPANY  
**3000 kW DEMAND RATE (G-62)**  
RETAIL DELIVERY SERVICE

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**GROSS EARNINGS TAX CREDIT FOR MANUFACTURERS**

Consistent with the gross receipts tax exemption provided in Section 44-13-35 of Rhode Island General Laws, eligible manufacturing customers will be exempt from the Gross Earnings Tax to the extent allowed by the Division of Taxation.

Eligible manufacturing customers are those customers who have on file with the Company a valid certificate of exemption from the Rhode Island sales tax (under section 44-18-30(H) of Rhode Island General Laws) indicating the customer's status as a manufacturer. If the Division of Taxation (or other Rhode Island taxing authority with jurisdiction) disallows any part or all of the exemption as it applies to a customer, the customer will be required to reimburse the Company in the amount of the credits provided to such customer which were disallowed, including any interest required to be paid by the Company to such authority.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, 2005

THE NARRAGANSETT ELECTRIC COMPANY  
**Limited Traffic Signal Service (R-02)**  
Retail Delivery Service

Effective  
January 1, 2005

R.I.P.U.C. No. 1178

Monthly Charge as Adjusted

Rates for Retail Delivery Service

Unmetered Charge per month	\$0.37	Effective January 1, 2005
	\$0.73	Effective January 1, 2006
	\$1.10	Effective January 1, 2007
	\$1.46	Effective January 1, 2008
	\$1.83	Effective January 1, 2009
<u>Non-Bypassable Transition Charge per kWh</u>	0.855¢	
<u>Transmission Charge per kWh</u>	0.259¢	
<u>Transmission Adjustment Factor per kWh</u>	0.042¢	
<u>Distribution Charge per kWh*</u>	1.414¢	Effective January 1, 2005
	1.961¢	Effective January 1, 2006
	2.508¢	Effective January 1, 2007
	3.055¢	Effective January 1, 2008
	3.602¢	Effective January 1, 2009
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢	(Eff. Jan. 1, 1997)

Rates for Standard Offer Service or Last Resort (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit. .

**Tax Note:**      **The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

**THE NARRAGANSETT ELECTRIC COMPANY  
LIMITED TRAFFIC SIGNAL SERVICE (R-02)  
RETAIL DELIVERY SERVICE**

**AVAILABILITY**

Electric delivery service under this rate is available to the State or any City or Town, hereinafter referred to as the Customer, for the operation of traffic signals, hereinafter referred to as locations. The availability of this rate is limited to the following customers and locations: those customers and locations who were served under Traffic Signal Rate R - R.I.P.U.C. No. 937 on May 10, 1992 and have continuously been served under the Traffic Signal Rate and successor rate since that date.

**MONTHLY CHARGE**

The Monthly Charge will be the sum of the applicable Retail Delivery Service Charges set forth in the cover sheet of this tariff.

**RATE ADJUSTMENT PROVISIONS**

Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**THE NARRAGANSETT ELECTRIC COMPANY  
LIMITED TRAFFIC SIGNAL SERVICE (R-02)  
RETAIL DELIVERY SERVICE**

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**MINIMUM CHARGE**

Unmetered Service: See cover sheet

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**DETERMINATION OF ELECTRICITY DELIVERED**

The Company may determine the electricity delivered from the connected load and operating schedule, or at its option install a meter.

**FURNISHING OF EQUIPMENT**

The customer will furnish, install and maintain all traffic signals and operating mechanisms used in connection therewith including all necessary supports and foundations and all wiring and equipment between such signals and the switch or other mechanism for controlling and operating the signals. The company will furnish, install and maintain all wiring and other apparatus required in connection with the service to be furnished hereunder and located between its lines and the above-mentioned switch or operating mechanism.

**PAYMENTS**

Payments under this rate for traffic signal service furnished by the Company for any month will be due on the 20th day of the next following month.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where applicable hereto and not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, 2005

THE NARRAGANSETT ELECTRIC COMPANY

**Limited Service - Private Lighting (S-10)**  
Retail Delivery Service

Effective  
January 1, 2005

R.I.P.U.C. No. 1179

Luminaire  
Type/Lumens

<u>Incandescent</u>	<u>Code</u>	<u>Annual kWh</u>
1,000	10	440
<u>Mercury Vapor</u>		
8,000 Post Top	2	908
4,000	3	561
8,000	4	908
22,000	5	1,897
63,000	6	4,569
22,000 FL	23	1,897
63,000 FL	24	4,569
<u>Sodium Vapor</u>		
4,000	70	248
5,800	71	349
9,600	72	490
27,500	74	1,284
50,000	75	1,968
27,500 FL	77	1,284
50,000 FL	78	1,968
9,600 Post Top	79	490
27,500 (24 hr)	84	2,568

	<u>Narragansett</u> <u>Zone</u>	<u>Blackstone</u> <u>Zone</u>	<u>Newport</u> <u>Zone</u>
Non-Bypassable Transition Charge per kWh	0.855¢	0.855¢	0.855¢
Distribution Energy Charge per kWh*	0.000¢	0.000¢	0.000¢
Transmission Charge per kWh	0.259¢	0.259¢	0.259¢
Transmission Adjustment Factor per kWh	0.042¢	0.042¢	0.042¢
Conservation & Load Management Adjustment per kWh	0.230¢	0.230¢	0.230¢
Streetlight Credit per kWh	0.000¢	1.326¢	0.875¢
Plus Standard Offer	per Standard Offer Service tariff (Optional)		
Plus Last Resort	per Last Resort Service tariff (Optional)		

\*In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note:**The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.  
Other Rate Clauses apply as usual.



THE NARRAGANSETT ELECTRIC COMPANY  
**LIMITED SERVICE - PRIVATE LIGHTING (S-10)**  
RETAIL DELIVERY SERVICE

**AVAILABILITY**

Private lighting and floodlighting service is available under this rate to any Customer who prior to the date of this rate was served on Limited Service-Private Lighting Rate S-6, R.I.P.U.C. No. 872. There will be no new installations or relocations under this rate. However, private lighting customers in the Blackstone Valley Zone and Newport Zone who were served on a private lighting rate by Blackstone Valley Electric Company or Newport Electric Company at their current location as of April 30, 2000 shall be placed on this rate by the Company. No other private lighting customers are permitted on this rate, except that a new private lighting customer at a location that was served under this rate may request continuation of service under this rate provided that the request is made within a reasonable time of the customer moving into the service location and the light fixture has not otherwise been removed by the Company.

**RATE**

A. Luminaire Charge:

<u>Lumen Rating</u>	<u>Code</u>	<u>Watts</u>	<u>Annual Price Per Unit</u>
<u>Incandescent</u>			
<u>Streetlights</u>			
1,000	10	105	\$75.22
<u>Mercury Vapor</u>			
<u>Post Top</u>			
8,000	02	217	108.85
<u>Streetlights</u>			
4,000	03	134	58.40
8,000	04	217	70.77
22,000	05	454	122.31
63,000	06	1,094	234.25
<u>Floodlights</u>			
22,000	23	454	152.08
63,000	24	1,094	262.72
<u>Sodium Vapor*</u>			
<u>Streetlights</u>			
4,000	70	59	62.78
5,800	71	83	66.28
9,600	72	117	72.63
27,500	74	307	120.39
50,000	75	471	163.46
27,500 (24 hr)	84	300	172.21
<u>Floodlights</u>			
27,500	77	300	143.14
50,000	78	466	181.37
<u>Post Top</u>			
9,600	79	117	78.56

THE NARRAGANSETT ELECTRIC COMPANY  
**LIMITED SERVICE - PRIVATE LIGHTING (S-10)**  
RETAIL DELIVERY SERVICE

Rates for Retail Delivery Service

<u>Non-Bypassable Transition Charge per kWh</u>	see cover sheet
<u>Transmission Charge per kWh</u>	see cover sheet
<u>Distribution Charge per kWh</u>	see cover sheet

\* The above sodium vapor source lights are available for replacement of existing incandescent or mercury vapor source lights. Incandescent and mercury vapor source lights will be replaced by the equivalent sodium vapor equipment when light outage is due to other than lamp or photo cell failure. Conversion of existing incandescent or mercury vapor lights to sodium vapor source lights may also take place at the customer's request.

B. Pole and Accessory Charge

An additional annual charge as enumerated below in the schedule of pole prices will be applied to the foregoing charges for the luminaire stated in Section A where the Company is requested to furnish a suitable pole, for the sole purpose of supporting a luminaire. If at a future date the pole is used for any purpose approved by the Company in addition to supporting a street and/or floodlight luminaire, the pole charge will be terminated.

<u>Overhead Service</u>		<u>Annual Price</u>
<u>Mounting Height</u>	<u>Code</u>	<u>Per Unit</u>
<u>Wood Poles</u>	(P)	\$55.45
<u>Underground Service</u>		
<u>Non-Metallic Poles</u>		
Fiberglass poles with no base	(R)	57.34
Fiberglass poles with base		
<25 feet	(C)	111.04
Fiberglass poles with base		
=>25 feet	(D)	185.67
<u>Metal Poles</u>		
(With foundation)	(T)	253.37

**RATE ADJUSTMENT PROVISIONS**

Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

**THE NARRAGANSETT ELECTRIC COMPANY  
LIMITED SERVICE - PRIVATE LIGHTING (S-10)  
RETAIL DELIVERY SERVICE**

**Standard Offer Adjustment**

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

**Conservation and Load Management Adjustment**

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**HOURS OF OPERATION**

All lights shall be operated each and every night from approximately one-half hour after sunset until approximately one-half hour before sunrise, a total of approximately 4175 hours each year. No reduction in billing will be allowed for lamp outages.

**PAYMENTS**

One-twelfth of the annual price including such adjustments herein specified will be billed each and every month beginning with the month next following the month in which service is rendered.

**THE NARRAGANSETT ELECTRIC COMPANY  
LIMITED SERVICE - PRIVATE LIGHTING (S-10)  
RETAIL DELIVERY SERVICE**

**EXCESSIVE DAMAGE**

Excessive damage due to wanton or malicious acts shall be charged to the Customer at the actual cost of labor and material required to repair or replace the unit. Excessive damage is defined as a pole, lamp, fixture or conductors being broken or damaged more than once a year. Notification of excessive damage will be made to the Customer by the Company prior to billing for repairs.

**NOTIFICATION OF OUTAGES**

The Company agrees that it will replace lamps that are burned out, or are not functioning for other reasons, within a reasonable period of time after written notification by the Customer or verbal notification via the designated street light outage phone number. To the extent practicable, the Company also will use all reasonable efforts to respond to reports about outages from the general public, which reports are given by means other than written notice or the street light outage phone number. However, unless such report is made in writing or via the designated phone number, the Company cannot provide any assurances to the Customer that the Company will be able to respond in a timely manner.

The time it takes for the Company to repair or replace lamps depends on the extent of damage to the lamp and/or fixture, the means by which the Company was notified, the size of the backlog of reports, and whether any other abnormal conditions exist which affect the Company's ability to respond in a timely manner.

**MAINTENANCE OF STREET LIGHTS**

It is expressly understood and agreed that the Company has no responsibility to locate or identify burned out or malfunctioning lamps; this is the sole and exclusive responsibility of the Customer. The Company's obligation to the Customer to repair lamps arises only after receipt of appropriate notice of an outage.

**LOCATION OF STREET LIGHTS**

The Customer bears sole responsibility for determining where street lights will be placed and the type of lamp used at each location. The Company bears no responsibility for, and makes no representations or warranties concerning, the locations and lamps selected by the Customer or the adequacy of the resulting lighting.

**DISCLAIMER OF LIABILITY**

The Company's duties and obligations under this tariff extend only to the Customer, and not to any third parties. The Company does not assume and specifically disclaims any liability to third parties arising out of Company's obligations to Customer under this section.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where applicable hereto and not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, 2005

THE NARRAGANSETT ELECTRIC COMPANY  
**General Streetlighting Service (S-14)**  
 Retail Delivery Service

Effective  
 January 1, 2005

R.I.P.U.C. No. 1180

<u>Luminaire</u>		
<u>Type/Lumens</u>	<u>Code</u>	<u>Annual kWh</u>
<u>Incandescent</u>		
1,000	10	440
1,500	11	845
<u>Mercury Vapor</u>		
8,000 Post Top	02	908
4,000	03	561
8,000	04	908
15,000	17, 18	1,874
22,000	05	1,897
63,000	06	4,569
<u>Sodium Vapor</u>		
4,000	70, 710, 711, 750, 755, 756	248
5,800	71	349
9,600	72	490
27,500	74	1,284
50,000	75	1,968
27,500 (24 hr)	84	2,568
50,000 FL	78	1,968
9,600 Post Top	79	490

	<u>Narragansett</u> <u>Zone</u>	<u>Blackstone</u> <u>Zone</u>	<u>Newport</u> <u>Zone</u>
Non-Bypassable Transition Charge per kWh	0.855¢	0.855¢	0.855¢
Distribution Energy Charge per kWh	0.000¢	0.000¢	0.000¢
Transmission Charge per kWh	0.259¢	0.259¢	0.259¢
Transmission Adjustment Factor per kWh	0.042¢	0.042¢	0.042¢
Conservation & Load Management Adj. Per kWh	0.230¢	0.230¢	0.230¢
Streetlight Credit per kWh		0.000¢	1.326¢0.875¢
Standard Offer Service	per Standard Offer Service tariff (Optional)		
Last Resort Service	per Last Resort Service tariff (Optional)		

\*In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
 However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**GENERAL STREET LIGHTING SERVICE (S-14)**  
RETAIL DELIVERY SERVICE

**AVAILABILITY**

Street Lighting Service is available under this rate to any city, town, or other public authority hereinafter referred to as the Customer, and to Customers who immediately prior to their transfer to this rate were served on Limited Street Lighting Service (S-12), R.I.P.U.C. NO. 1145-A, in accordance with the provisions and the specifications hereinafter set forth:

1. For municipally-owned or accepted roadways, which includes those classified as "private ways" for which a municipality has agreed to supply street lighting service.
2. Service under this rate is contingent upon Company ownership and maintenance of street lighting equipment.
3. Service under this rate is not available for limited access highways or the access and egress ramps.
4. Service under this rate is available to private contractors for street lighting service for streets which have not yet been accepted by the municipality.

**RATE**

A. Luminaire Charge:

<u>Lumen Rating</u>	<u>Code</u>	<u>Watts</u>	<u>Annual Price Per Unit</u>
<u>Incandescent</u>			
<u>Streetlight</u>			
1,000 *	10	105	\$75.22
2,500 *	11	206	\$67.45
 <u>Mercury Vapor</u>			
<u>Streetlights</u>			
4,000 *	03	134	\$58.40
8,000 *	04	217	\$70.77
15,000(In) *	17	299	\$122.97
15,000(Out) *	18	299	\$122.97
22,000 *	05	454	\$122.31
63,000 *	06	1,094	\$234.25
 <u>Post Top</u>			
8,000	02	217	\$108.85

**THE NARRAGANSETT ELECTRIC COMPANY  
GENERAL STREET LIGHTING SERVICE (S-14)  
RETAIL DELIVERY SERVICE**

<u>Lumen Rating</u>	<u>Code</u>	<u>Watt</u>	<u>Annual Price Per Unit</u>
<u>Sodium Vapor</u>			
<u>Streetlights</u>			
4,000	70	59	\$62.78
5,800	71	83	\$66.28
9,600	72	117	\$72.63
27,500	74	307	\$120.39
50,000	75	471	\$163.46
27,500 (24 Hr)	84	300	\$172.21

Incandescent Conversion

600 to 4,000	755	59	\$ 62.78
600 to 4,000	756	59	\$ 62.78
1,000 to 4,000	750	59	\$ 62.78
1,000 to 4,000	710	59	\$ 62.78
2,500 to 4,000	711	59	\$ 62.78

Post Top

9,600	79	117	\$78.56
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Floodlights

27,500	77	300	\$143.14
50,000	78	466	\$181.37

\* No further installation or relocating of this size light.

Rates for Retail Delivery Service

<u>Non-Bypassable Transition Charge per kWh</u>	see cover sheet
<u>Transmission Charge per kWh</u>	see cover sheet
<u>Distribution Charge per kWh</u>	see cover sheet

**B. Pole and Accessory Charge:**

An additional annual charge as enumerated below in the schedule of pole prices will be applied to the foregoing charges for the luminaire stated in Section A where the Company is requested to furnish a suitable pole, for the sole purpose of supporting a luminaire. If at a future date the pole is used for any purpose approved by the Company in addition to supporting a street and/or floodlight luminaire, the pole charge will be terminated.

THE NARRAGANSETT ELECTRIC COMPANY  
**GENERAL STREET LIGHTING SERVICE (S-14)**  
RETAIL DELIVERY SERVICE

Overhead Service

<u>Mounting Height</u>	<u>Code</u>	<u>Annual Price Per Unit</u>
<u>Wood Poles</u>	(P)	\$ 55.45

Underground Service

IN (Providence)		\$110.86
OUT		\$110.86

Non-Metallic Poles

Fiberglass poles with no base	(R)	\$ 57.34
Fiberglass poles with base <25 feet	(C)	\$111.04
Fiberglass poles with base =>25 feet	(D)	\$185.67

Metal Poles

(With Foundation)	(T)	\$253.37
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**RATE ADJUSTMENT PROVISIONS**

Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.



THE NARRAGANSETT ELECTRIC COMPANY  
**GENERAL STREET LIGHTING SERVICE (S-14)**  
RETAIL DELIVERY SERVICE

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**HOURS OF OPERATION**

All lights shall be operated each and every night from approximately one-half hour after sunset until approximately one-half hour before sunrise, a total of approximately 4175 hours each year. No reduction in billing will be allowed for lamp outages.

**PAYMENTS**

One-twelfth of the annual price including such adjustments herein specified will be billed each and every month beginning with the month next following the month in which service is rendered.

**NOTIFICATION OF OUTAGES**

The Company agrees that it will replace lamps that are burned out, or are not functioning for other reasons, within a reasonable period of time after written notification by the Customer or verbal notification via the designated street light outage phone number. To the extent practicable, the Company also will use all reasonable efforts to respond to reports about outages from the general public, which reports are given by means other than written notice or the street light outage phone number. However, unless such report is made in writing or via the designated phone number, the Company cannot provide any assurances to the Customer that the Company will be able to respond in a timely manner.

The time it takes for the Company to repair or replace lamps depends on the extent of damage to the lamp and/or fixture, the means by which the Company was notified, the size of the backlog of reports, and whether any other abnormal conditions exist which affect the Company's ability to respond in a timely manner.

**MAINTENANCE OF STREET LIGHTS**

It is expressly understood and agreed that the Company has no responsibility to locate or identify burned out or malfunctioning lamps; this is the sole and exclusive responsibility of the Customer. The Company's obligation to the Customer to repair lamps arises only after receipt of appropriate notice of an outage.

**THE NARRAGANSETT ELECTRIC COMPANY  
GENERAL STREET LIGHTING SERVICE (S-14)  
RETAIL DELIVERY SERVICE**

**LOCATION OF STREET LIGHTS**

The Customer bears sole responsibility for determining where street lights will be placed and the type of lamp used at each location. The Company bears no responsibility for, and makes no representations or warranties concerning, the locations and lamps selected by the Customer or the adequacy of the resulting lighting.

**DISCLAIMER OF LIABILITY**

The Company's duties and obligations under this tariff extend only to the Customer, and not to any third parties. The Company does not assume and specifically disclaims any liability to third parties arising out of Company's obligations to Customer under this section.

**EXCESSIVE DAMAGE**

Excessive damage due to wanton or malicious acts shall be charged to the Customer at the actual cost of labor and material required to repair or replace the unit. Excessive damage is defined as a pole, lamp, fixture or conductors being broken or damaged more than once a year. Notification of excessive damage will be made to the Customer by the Company prior to billing for repairs.

**DISCONTINUANCE OF LIGHTS**

The Customer may not discontinue during any calendar year lights in excess of five (5) percent of the number of lights in service except that any number of lights above five (5) percent may be discontinued by mutual agreement upon payment of undepreciated value of the existing light if such light has been installed for a period of less than ten years.

**CONVERSION OF EXISTING INCANDESCENT AND MERCURY VAPOR LIGHTS TO SODIUM VAPOR**

- (1) Incandescent lights - To any municipality or other governmental agency so requesting, the Company will initiate a conversion schedule for the replacement of incandescent lights with an appropriate sodium vapor light. The conversion will be completed in a period as agreed upon. See the above schedule of prices for conversion of incandescent lights to sodium vapor for the cost at time of conversion.
- (2) Mercury vapor lights - To any municipality or other governmental agency so requesting, the Company will initiate a conversion schedule for the replacement of mercury vapor lights with an appropriate sodium vapor light upon payment of the undepreciated value of the existing light if such light has been installed for a period less than ten years. This payment may be spread equally over the following twelve month period. The conversion will be completed in a period as agreed upon.

**THE NARRAGANSETT ELECTRIC COMPANY**  
**GENERAL STREET LIGHTING SERVICE (S-14)**  
**RETAIL DELIVERY SERVICE**

**TEMPORARY DISCONNECTION**

The customer may request that a light may be disconnected for a period not to exceed one (1) year. The Company will cease operation and billing of such light upon payment of a disconnect charge of \$25. If served underground, the underground charge will continue.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where applicable hereto and not inconsistent with any specific provisions hereof, are a part of this rate.

Effective Date: January 1, 2005

THE NARRAGANSETT ELECTRIC COMPANY

**Electric Propulsion Rate (X-01)**  
High Voltage Delivery Service

Effective  
January 1, 2005

R.I.P.U.C. No. 1181

Monthly Charge As Adjusted

Rates for High Voltage Delivery Service

<u>Customer Charge per month</u>	\$10,000	
<u>Transmission Demand Charge per kW</u>	\$1.34	
<u>Non-Bypassable Transition Charge per kWh</u>	0.855¢	
<u>Transmission Adjustment Factor per kWh</u>	0.042¢	
<u>Distribution Energy Charge per kWh*</u>		0.396¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢	

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**ELECTRIC PROPULSION RATE (X-01)**  
HIGH VOLTAGE DELIVERY SERVICE

**AVAILABILITY**

This rate shall apply to any customer taking service for traction power at voltages of 69kV or greater.

**MONTHLY CHARGE**

The Monthly Charge will be the sum of the High Voltage Delivery Service Charges set forth in the cover sheet of this tariff.

**PEAK AND OFF-PEAK PERIODS:**

PEAK HOURS:	June - September	-- 8 a.m. - 10 p.m. Weekdays,
	December - February	-- 7 a.m. - 10 p.m. Weekdays
	October - November and	
	March - May	-- 8 a.m. - 9 p.m. Weekdays

OFF-PEAK HOURS: All other hours

Weekdays shall mean Monday through Friday, excluding the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Columbus Day (observed), Labor Day, Veteran's Day, Thanksgiving Day and Christmas Day.

**DEMAND**

The Demand for each month under ordinary load conditions shall be the greatest of the following:

- a) The greatest peak occurring in such month during Peak hours as measured in kilowatts,
- b) 90% of the greatest peak occurring in such month during Peak hours as measured in kilovolt-amperes,
- c) 75% of the greatest Demand as so determined above during the preceding eleven months, and
- d) 10 kilowatts.

Demand shall be measured in fifteen minute intervals.

**RATE ADJUSTMENT PROVISIONS:**

Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

**THE NARRAGANSETT ELECTRIC COMPANY  
ELECTRIC PROPULSION RATE (X-01)  
HIGH VOLTAGE DELIVERY SERVICE**

Transition Charge Adjustment

The prices under this rate as set forth under “Monthly Charge” may be adjusted from time to time in the manner described in the Company’s Non-Bypassable Transition Charge Adjustment Provision.

Standard Offer Adjustment

The customer will pay any charges required pursuant to the terms of the Company’s Standard Offer Adjustment Provision, whether or not the customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

The customer may take Standard Offer Service pursuant to the terms of the Standard Offer Service tariff.

**LAST RESORT SERVICE**

If at any time the customer does not take its power supply from a non-regulated power producer and becomes ineligible for Standard Offer Service, the customer will receive Last Resort Service pursuant to the Last Resort Service tariff.

**HIGH VOLTAGE SERVICE AGREEMENT**

As a condition for service at high voltage, the Company and the customer shall execute a service agreement that sets forth the terms and conditions for service, including as necessary any reasonable reliability and safety performance requirements and other just and reasonable terms and conditions for taking service, provided that such agreement is filed with the Commission for review and approval. If the Company and the customer are unable to agree on the terms of such agreement, the Company has the right to file an unexecuted form of agreement for approval by the Commission, provided that a copy of the filing is served on the customer. The customer has the right to dispute the reasonableness of any terms of the agreement. The final terms of the form of agreement approved by the Commission (with any modifications the Commission may deem appropriate) will become a part of this tariff with respect to service for the customer when the customer commences taking service at high voltage.

**THE NARRAGANSETT ELECTRIC COMPANY  
ELECTRIC PROPULSION RATE (X-01)  
HIGH VOLTAGE DELIVERY SERVICE**

**CONSTRUCTION REIMBURSEMENT PAYMENT**

The customer shall be required to reimburse the Company for its capital costs incurred for the construction of facilities designed to serve the customer directly, which costs have been incurred prior to the commencement of commercial train service by the customer. Such reimbursement shall also include any applicable tax liability arising out of Internal Revenue Service requirements relating to contributions in aid of construction.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof (including the high voltage service agreement), are a part of this rate.

**EFFECTIVE DATE OF RATES FOR SERVICE**

The rates set forth in this tariff shall be charged to the customer, commencing on the date that the customer is scheduled to begin electric service from the customer's Warwick substation to run trains on its traction power system, or such other date that may be mutually agreeable to the customer and the Company. However, to the extent that the customer consumes any kilowatthours during any testing period, the customer shall pay all applicable charges under the Company's Standard Offer Service Tariff.

Effective: January 1, 2005

THE NARRAGANSETT ELECTRIC COMPANY

**Station Power Delivery and Reliability Service Rate (M-1)**  
Retail Delivery Service

Effective  
January 1, 2005

R.I.P.U.C. No.1164

Rates for Station Power Delivery and Reliability Service

Eligible Customers must select one of the two rate Options A or B below:

**Monthly Charges**

**OPTION A**

<u>Distribution Delivery Service Charge</u>	\$3,500 per month
<u>Non-Bypassable Transition Charge</u>	Higher of: 0.855¢ per kWh or \$3,500
<u>Conservation and Load Management Charge</u>	Higher of 0.230¢ per kWh or \$800

**OPTION B**

<u>Distribution Delivery Service Charge</u>	\$3,500 per month
<u>Non-Bypassable Transition Charge</u>	0.855¢ per kWh
<u>Conservation and Load Management Charge</u>	0.230¢ per kWh

**Tax Note:** The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.



THE NARRAGANSETT ELECTRIC COMPANY  
**STATION POWER DELIVERY AND RELIABILITY SERVICE RATE (M-1)**  
Retail Delivery Service

**AVAILABILITY**

This service shall be available to all Customers meeting the following criteria:

1. The Customer is a "Merchant Generator" who owns and operates a generating facility with one or more generating units with an aggregate generating capacity of 50 MW or more and where all, or virtually all, of the electricity produced by the generating facility is delivered into the transmission grid for resale (net of any self-supplied Station Power);
2. The Customer's generating facility is interconnected directly or indirectly with high voltage facilities at 115 kV or greater where the high voltage facilities serving the customer are sized for deliveries into the transmission grid; and
3. The Customer receives deliveries of electricity from time to time directly or indirectly through the high voltage facilities to serve all or portion of the Customer's Station Power requirements at the generating facility.

This rate shall be mandatory for any Customer meeting the above listed criteria if such Customer arranges its own transmission service for delivery of Station Power into the generating facility, as described below under "Transmission Service Arrangements". Once a Customer takes service under this rate, the Customer may not choose to take service under a different rate without the consent of the Company.

**DEFINITIONS**

As used in this tariff:

**"Merchant Generator"** means a person or entity that owns and operates an electric power production facility and sells the output from such facility (net of self-supplied Station Power), either directly or through a marketer, at wholesale through the transmission grid.

**"Station Power"** means electrical energy and/or capacity used by the Customer for heating, lighting, power for station auxiliaries, office equipment, and/or other power production operating purposes.

**TYPE OF SERVICE**

Station Power Delivery and Reliability Service consists of delivery service through high voltage and/or other interconnected facilities to serve all or a portion of the Customer's Station Power requirements at the generating facilities.

**THE NARRAGANSETT ELECTRIC COMPANY**  
**STATION POWER DELIVERY AND RELIABILITY SERVICE RATE (M-1)**  
Retail Delivery Service

**DELIVERY POINT CONSOLIDATION**

If the Customer has more than one delivery point for station service deliveries into interrelated generating facilities, the Company may consolidate the metering and delivery points into one billing account for purposes of billing under this rate.

**MONTHLY CHARGE**

Customers must select either Option A or Option B. The Monthly Charge will be the sum of the Station Power Delivery Service Charges stated on the cover sheet for the applicable option. Once a Customer selects an Option, the Customer must remain on that Option for 12 consecutive months before changing Options.

**BILLING DETERMINANTS FOR TRANSITION AND CONSERVATION CHARGES**Option A -- Monthly Netting

Under Option A, for purposes of determining whether the alternative kilowatt-hour charges apply for the Non-Bypassable Transition Charge and the Conservation and Load Management Charge, the Company will net gross generator output against remotely supplied station service deliveries each month. The charge for each month for such components shall be the higher of (i) the fixed charge or (ii) the kilowatt-hour charge multiplied by the net kilowatt-hours delivered for the month if the deliveries exceed generation output for the month.

Option B – Hourly Netting

Under Option B, for purposes of determining the kilowatt-hour charges that apply for the Non-Bypassable Transition Charge and the Conservation and Load Management Charges, the Company will net gross generator output against remotely supplied station service deliveries each hour. The charge for each month shall be the kilowatt-hour charge multiplied by the net kilowatt-hours delivered for the hour if the deliveries exceed generation output for such hour.

**RATE ADJUSTMENT CLAUSE APPLICABILITY**

The Transition Charge Adjustment Provision, the Conservation and Load Management Adjustment Provision, the Standard Offer Adjustment Provision, and the Transmission Service Charge Adjustment Provision shall not apply to Option A of this Rate.

The Standard Offer Adjustment Provision and the Transmission Service Charge Adjustment Provision shall not apply to Option B of this Rate.

**THE NARRAGANSETT ELECTRIC COMPANY**  
**STATION POWER DELIVERY AND RELIABILITY SERVICE RATE (M-1)**  
Retail Delivery Service

**TRANSMISSION SERVICE ARRANGEMENTS**

Any Customer served under this rate must make its own arrangements for transmission service to the Customer's generating facility for delivery of Station Power. Such arrangements must be made with the appropriate transmission provider(s) pursuant to a tariff or tariffs jurisdictional to the Federal Energy Regulatory Commission (FERC) in order to assure that the Company is not required to account for any load delivered into the Customer's facility for Station Power for transmission billings assessed on the Company pursuant to FERC jurisdictional transmission tariffs applicable to the Company. This transmission service is distinguishable and separate from transmission service or interconnection arrangements that permit the Customer to deliver output from the generating facility into the transmission grid.

**ARRANGEMENTS FOR GENERATION SERVICE**

Any Customer served under this rate must either (1) establish a settlement account with ISO-New England, Inc., for power supply and must use the settlement account to arrange for any Station Power supply that is not self-supplied at the generating facility or (2) purchase electricity directly from a nonregulated power producer. By electing service under this tariff, the Customer agrees not to take service at any time under the Company's Last Resort Service or Standard Offer Service Tariffs.

**OTHER LOW VOLTAGE SERVICE EXCLUDED**

Any Customer served under this rate who also is receiving Station Power service or other retail delivery service through a separate distribution feeder that is not associated with the facilities through which the Customer delivers generated electricity into the transmission system must take such delivery service through a separate applicable retail delivery service tariff that is separately metered and established as a separate account.

**OTHER FACILITIES EXCLUDED**

This rate applies only to Station Power. The Customer may not use this rate to receive or provide power to other non-generation related facilities, the use of which falls outside of the definition of "Station Power", as defined in this rate.

**THE NARRAGANSETT ELECTRIC COMPANY**  
**STATION POWER DELIVERY AND RELIABILITY SERVICE RATE (M-1)**  
Retail Delivery Service

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: September 1, 2001



THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

**Schedule JAL-9**  
**Proposed Tariffs – Marked to Show Changes**

THE NARRAGANSETT ELECTRIC COMPANY

**Basic Residential Rate (A-16)**

Retail Delivery Service

Effective

January 1, 2005

Deleted: 2004

R.I.P.U.C. No. 1170

Deleted: 1125

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$2.54
<u>Non-Bypassable Transition Charge per kWh</u>	0.855¢
<u>Transmission Charge per kWh</u>	0.436¢
<u>Transmission Adjustment Factor per kWh</u>	0.042¢
<u>Distribution Charge per kWh*</u>	3.595¢
<u>Minimum Charge per month</u>	\$2.54
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢ (Eff. Jan. 1, 1997)

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Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

**THE NARRAGANSETT ELECTRIC COMPANY**  
**BASIC RESIDENTIAL RATE (A-16)**  
**RETAIL DELIVERY SERVICE**

## AVAILABILITY

Electric delivery service under this rate is available for all domestic purposes in an individual private dwelling or an individual private apartment. Service is also available for farm customers where all electricity is delivered by the Company.

**Deleted:** Notwithstanding the foregoing, service is not available under this rate for any customer required to take service on the Residential Time-of-Use Rate A-32.

The Company may under unusual circumstances permit more than one set of living quarters to be served through one metering installation under this rate, but if so, the Customer Charge shall be multiplied by the number of separate living quarters so served.

A church and adjacent buildings owned and operated by the church may be served under this rate, but any such buildings separated by public ways must be billed separately.

## MONTHLY CHARGE

The Monthly Charge will be the sum of the applicable Retail Delivery Service Charges set forth in the cover sheet of this tariff.

## CREDIT FOR STORAGE HEATING

For customers meeting the following conditions, a credit of 1.5 cents per kilowatthour shall be allowed against the amount determined under the preceding provisions. Eligibility for this credit is limited to the following customers: those who were served under Limited Residential Service - Storage Heating (E-30) immediately prior to their transfer to this rate.

### Conditions

1. The Customer agrees to install a controlled electric heat storage system and controlled domestic storage electric water heating equipment.
2. The Company will install the metering equipment as well as the control contacts and time clock necessary to synchronize control of the electric heat storage system and the electric storage water heating equipment.
3. The Customer agrees to install separate control systems for the storage heating system and the water heating equipment necessary to properly utilize the time signals to be provided through the Company's equipment as described in 2. These control systems may impose a load of no more than 60 volt-amperes, at currents under 2 amperes and voltages between 24-120 volts, on the Company's control contacts.
4. The Customer agrees to maintain the electric heat storage system, customer owned water heating equipment, and the customer-installed control system in accordance with manufacturers recommended operating practices.
5. The Company reserves the right to restrict the operation of the electric storage heating system and the electric storage water heating equipment to the off-peak hours.

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Performance Based Rate Adjustment¶

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THE NARRAGANSETT ELECTRIC COMPANY  
**BASIC RESIDENTIAL RATE (A-16)**  
RETAIL DELIVERY SERVICE

6. From Monday through Friday there will be 13 peak hours and 11 off-peak hours each day. At present, peak hours will be from 8:00 a.m. to 9:00 p.m. Eastern Standard Time daily Monday through Friday. Off-peak hours will be from 9:00 p.m. to 8:00 a.m. Eastern Standard Time daily Monday through Friday, and all day on Saturdays and Sundays and the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Columbus Day (observed), Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day.

During Daylight Savings Time, the above hours will be:

<u>Peak Hours</u>	<u>9:00 a.m. to 10:00 p.m.</u>
<u>Off-Peak Hours</u>	<u>10:00 p.m. to 9:00 a.m.</u>

The Company reserves the right to change these peak and off-peak hours but in no case will the off-peak hours be limited to less than eleven hours per day.

**CREDIT FOR CONTROLLED WATER HEATING**

If the Customer has installed an electric water heater of a type approved by the Company, and permits the Company to control the operation of the water heater for up to six-teen hours per day and during emergency situations, the Customer will receive a credit of 0.661 cents per kwh for the first 750 kWhs delivered per month. Only those Customers participating in the Company's Home Energy Management Program are eligible for credits under this provision.

**RATE ADJUSTMENT PROVISIONS**

**Transmission Service Charge Adjustment**

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

**Transition Charge Adjustment**

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

**Standard Offer Adjustment**

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

**Conservation and Load Management Adjustment**

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

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THE NARRAGANSETT ELECTRIC COMPANY  
**BASIC RESIDENTIAL RATE (A-16)**  
RETAIL DELIVERY SERVICE

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**MINIMUM CHARGE**

\$2.54 per month.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: ~~January 1, 2005~~

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## THE NARRAGANSETT ELECTRIC COMPANY

**Low Income Rate (A-60)**

Retail Delivery Service

EffectiveJanuary 1, 2005

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R.I.P.U.C. No. 1171

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Monthly Charge As Adjusted

Rates for Retail Delivery ServiceNon-Bypassable Transition Charge per kWh 0.855¢Transmission Charge per kWh 0.338¢Transmission Adjustment Factor per kWh 0.042¢Distribution Charges per kWh\*First 500 kWhs 1.797¢kWhs in excess of 500 3.595¢

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Conservation and Load Management Adjustment per kWh 0.230¢ (Eff. Jan. 1, 1997)Deleted: ¶  
Water Heater Credit per kWh for the first  
750 kWh per month 0.661¢¶Rates for Standard Offer Service or Last Resort Service (Optional)Standard Offer per kWh per Standard Offer Service tariffLast Resort per kWh per Last Resort Service tariffDeleted: A-60 Rate  
Credit 0.227¢¶  
¶  
Additional Delivery Rates for Blackstone  
Valley Zone ¶  
¶  
Blackstone Distribution Charge per first  
300 kWh (1.436)¢¶  
¶  
Blackstone Distribution Charge in excess  
300 kWh 1.194¢¶  
¶  
Additional Delivery Rates for Newport  
Zone¶  
¶  
Newport Distribution Charge first 300  
kWh (0.782)¢¶  
¶  
Newport Distribution Charge in excess  
300 kWh 1.952¢¶

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**LOW INCOME RATE (A-60)**  
RETAIL DELIVERY SERVICE

## AVAILABILITY

Service under this rate is available only to currently qualified customers for all domestic purposes in an individual private dwelling or an individual apartment, providing such customer meets both of the following criteria:

1. Must be the head of a household or principal wage earner.
2. Must be presently receiving Supplemental Security Income from the Social Security Administration, be eligible for the low-income home energy assistance program, or one of the following from the appropriate Rhode Island agencies: Medicaid, Food Stamps, General Public Assistance or Family Independence Program.

Deleted: Aid to Families with Dependent Children.

It is the responsibility of the customer to annually certify, by forms provided by the Company, the continued compliance with the foregoing provisions.

The Company may under unusual circumstances permit more than one set of living quarters to be served through one meter under this rate, but if so, the kilowatt-hours eligible for the credit described below shall be multiplied by the number of separate living quarters so served.

## MONTHLY CHARGE

The Monthly Charge will be the sum of the applicable Retail Delivery Service Charges set forth in the cover sheet of this tariff.

## CREDIT FOR CONTROLLED WATER HEATING

If the Customer has installed an electric water heater of a type approved by the Company, and permits the Company to control the operation of the water heater for up to six-teen hours per day and during emergency situations, the Customer will receive a credit of 0.661 cents per kwh for the first 750 kWhs delivered per month. Only those Customers participating in the Company's Home Energy Management Program are eligible for credits under this provision

Deleted: Provided, however, that any customer who installed prior to January 1, 1998 and has in regular operation an electric water heater of a type approved by the Company and conforming to the Conditions for Electric Water Heating contained herein, shall receive a credit of 0.6614 per kWh for the first 750 kWh per month.

## RATE ADJUSTMENT PROVISIONS

### Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

### Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

THE NARRAGANSETT ELECTRIC COMPANY  
**LOW INCOME RATE (A-60)**  
RETAIL DELIVERY SERVICE

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, 2005

**Deleted: CONDITIONS FOR  
ELECTRIC WATER HEATING¶**

- ¶ 1. Electricity will be the only source of energy for water heating.¶
- ¶ 2. The Company reserves the right to limit the operation of the bottom water heating element, but in no case shall operation be less than 16 hours a day, or a total of 126 hours per week.¶
- ¶ 3. All water heaters installed after January 1, 1968 shall have a storage capacity of 80 gallons or greater and be of a type approved by the Company, except as provided below.¶
- ¶ 4. Approved water heaters of less than 80 gallons now being served by the Company may be permitted to transfer to this rate, and at the Company's option, smaller tanks may be permitted only within an individual apartment of a multi-family building.¶
- ¶ 5. The customer shall provide a separate circuit for the water heater, of ample capacity and designed for 240-volt operation, to which no equipment other than the water heater shall be connected.¶

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THE NARRAGANSETT ELECTRIC COMPANY

**C&I Back-Up Service Rate** (B-32)

Retail Delivery Service

Effective

January 1, ~~2005~~

Deleted: 200 kW

Deleted: 2004

R.I.P.U.C. No. ~~1172~~

Deleted: 1131

Monthly Charge As Adjusted

Rates for  
Back-Up Service

Rates for  
Supplemental Service

Rates for Retail Delivery Service

Customer Charge per month

\$236.43

n/a

Transmission Demand Charge per kW

\$1.27

\$1.27

Distribution Demand Charge per kW

~~\$4.90~~

~~\$3.12~~

Deleted: 1.56 \$1.56

Transmission Adjustment Factor per kWh

~~n/a~~

~~0.042¢~~

Deleted: 0.042¢

Distribution Energy Charge per kWh \*

~~n/a~~

~~0.544¢~~

Deleted: 1.101¢ 1.101

Non-bypassable Transition Charge per kWh

n/a

0.855¢

C&LM Adjustment per kWh

n/a

0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

Standard Offer per kWh

n/a

per Standard Offer Service tariff

Last Resort per kWh

n/a

per Last Resort Service tariff

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

## THE NARRAGANSETT ELECTRIC COMPANY

**C&I BACK-UP SERVICE RATE (B-32)**

Deleted: 200 kW DEMAND

## RETAIL DELIVERY SERVICE

**AVAILABILITY**

This service shall apply to Customers in the class identified below:

- (i) who receive all or any portion of their electric supply from non-emergency generation unit(s) with a nameplate rating greater than 30 kW ("Generation Units"), where electricity received by the Customer from the Generation Units is not being delivered over Company-owned distribution facilities pursuant to an applicable retail delivery tariff, and
- (ii) who expect the Company to provide retail delivery service to supply the Customer's load at the service location when the Generation Units are not supplying all of that load.

Electric delivery service under this rate is applicable to customers with a Demand of 10 kilowatts or more. Notwithstanding the foregoing, the Company may require any customer with a 12-month average Demand greater than 3,000 kW to take service on the 3,000 kW Demand Back-up Service Rate B-62.

Deleted: those Customers being served by Generation Unit(s) installed on

Deleted: after April 1, 1998 and would otherwise be served under

Deleted: Company's 200 kW Demand Rate G-32 if

Deleted: Generation Units were not supplying electricity

Deleted: Customer.

- ▼ This tariff shall not apply to customers with a contracted demand of 25 kVA or less.

All Customers served on this rate must elect to take their total electric delivery service under the metering installation as approved by the Company.

**TYPES OF SERVICE**

"Back-Up" Retail Delivery Service consists of the Company standing ready to provide retail delivery service to the Customer's load when a non-emergency generator that supplies electricity to the Customer without using Company-owned distribution facilities does not supply all of the Customer's load.

"Supplemental" Retail Delivery Service is the delivery over Company-owned distribution facilities of electricity which is utilized at the Customer's facilities.

**MONTHLY CHARGE**

The Monthly Charge will be the sum of the Back-Up Service Charges, and the Supplemental Service Charges, as stated below.

**BACK-UP RETAIL DELIVERY SERVICE****a) Rates for Back-Up Retail Delivery Service**

Customer Charge per month see cover sheet

Distribution Charge per kW see cover sheet

Transmission Charge per kW see cover sheet

Deleted: Transmission Charge per kW see cover sheetDeleted: DistributionDeleted: h

## THE NARRAGANSETT ELECTRIC COMPANY

**C&I BACK-UP SERVICE RATE (B-32)**

## RETAIL DELIVERY SERVICE

Deleted: 200 kW DEMAND

**b) Determination of Kilowatt Demand**Deleted: b) Assessment of Kilowatt-hour Charges

The Company will establish the kilowatt demand to be used for billing Back-Up Service at the level of distribution capacity reserved for the Customer, stated in kilowatts or kilovoltamperes. This demand (or "contractual demand") shall be equal to the generating capability or expected output of the Customer's Generation Unit(s), but shall not exceed the customer's maximum connected load. For a Customer whose actual generation exceeds its contractual demand in any month, a new contractual demand will be established as the greater of the following:

- 1) The greatest fifteen-minute peak of the Customer's Generation Unit(s) occurring in such month as measured in kilowatts; and
- 2) 90% of the greatest fifteen-minute peak of the Customer's Generation Unit(s) occurring in such month as measured in kilovolt-amperes.

Deleted: ¶

For purposes of billing kWh charges for Back-Up Service, Customers will be billed on actual output of the Customer's Generation Unit(s). If for any reason the Company is unable to meter the Customer's Generation Unit(s), the Company may charge the Customer based on estimated kWh output determined on the assumption that the Generation Units operate at their maximum possible capability at a 100% load factor for the entire month.¶

¶  
c)

Deleted: 80

If for any reason the Company is unable to meter the Customer's Generation Units, the contractual demand shall be established by the Company at the Company's estimate of the maximum possible generating capability of the Customer's Generation Units.

**d) Installation of Meters on Generation**

If the Customer elects to be billed on actual meter readings from generators rather than estimates, the Customer shall permit the Company to install meter(s) on the Generation Units providing electricity to the Customer, for purposes of billing under the terms of this rate. The meter shall be in accordance with the Company's reasonable specifications. The Customer will reimburse the Company for the installed cost of the meter and any associated equipment. The Customer shall provide reasonable access to the Company during normal business hours to read such meter in order to bill the Customer for service under this rate .

**PEAK AND OFF-PEAK PERIODS**

PEAK HOURS:      June - September      -- 8 a.m. - 10 p.m. Weekdays,  
                          December - February    -- 7 a.m. - 10 p.m. Weekdays  
                          October - November  
                          March - May                      -- 8 a.m. - 9 p.m. Weekdays

OFF-PEAK HOURS: All other hours

Weekdays shall mean Monday through Friday, excluding the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Columbus Day (observed), Labor Day, Veterans Day, Thanksgiving Day and Christmas Day.



## THE NARRAGANSETT ELECTRIC COMPANY

**C&L BACK-UP SERVICE RATE (B-32)**

Deleted: 200 kW DEMAND

## RETAIL DELIVERY SERVICE

**SUPPLEMENTAL RETAIL DELIVERY SERVICE****a) Rates for Supplemental Retail Delivery Service**Transmission Charge per kW see cover sheetDistribution Charge per kW see cover sheetDistribution Charge per kWh see cover sheetNon-Bypassable Transition Charge per kWh see cover sheet**b) Assessment of Kilowatthour Charges**

For purposes of billing kWh charges for Supplemental Retail Delivery Service, Customers will be billed on the greater of (i) the actual kWh delivered by the Company or (ii) 80% of the actual kVAh delivered less generated kWh usage.

For purposes of billing kWh charges for ~~Standard Offer~~ Service or Last Resort Power Service, Customers will be billed on actual kWh delivered by the Company.

Deleted: Interim Power

**c) Determination of Kilowatt Demand**

The Demand for each month for Supplemental Service shall be the greatest of the following:

- 1) The greatest fifteen-minute delivery peak occurring in such month during Peak hours as measured in kilowatts;
- 2) ~~90%~~ of the greatest fifteen-minute delivery peak occurring in such month during Peak hours as measured in kilovolt-amperes;
- 3) ~~75%~~ of the greatest Demand as so determined above during the preceding eleven months.

Deleted: 80

Adjustments

- (i) In the case of an outage or reduction in output of customer generation below the contractual demand, the Customer's demand for purposes of billing Supplemental Retail Delivery Service will be adjusted by the difference between the amount of the contractual demand and the actual output of the generator for the period of the reduction or outage.
- (ii) In the case of a Customer generating kilowatts, but receiving reactive power from the Company for their reactive load requirements that otherwise should be supplied by such generation, the Customer's KVA demand for purposes of billing Supplemental Retail Delivery Service will be adjusted to properly account for the actual output of the generator.

Deleted: 50% of the greatest fifteen-minute delivery peak occurring in such month during Off-Peak Hours as measured in kilowatts;¶  
 ¶  
 4) 40% of the greatest fifteen-minute delivery peak occurring in such month during Off-Peak Hours as measured in kilovolt-amperes; and¶  
 ¶  
 5)

## THE NARRAGANSETT ELECTRIC COMPANY

**C&L BACK-UP SERVICE RATE (B-32)**

Deleted: 200 kW DEMAND

## RETAIL DELIVERY SERVICE

- (iii) For purposes of the adjustments referred in clauses (i) and (ii) above, if for any reason the Company is unable to meter the Customer's Generation Units, the Company may estimate any adjustment the Company reasonably believes is required. In such case, the Company may request presentation of reasonably reliable documentation from the Customer regarding the operation of the Generation Units before making any such adjustment.

**OPTIONAL DETERMINATION OF DEMAND**

A Customer who has been served under this rate for one year or more may upon written request have the Demand for each month used for Supplemental Service be based upon the greatest of items (1) and (2) set forth above for Kilowatt Demand, beginning with the next month after such request and running for a period of not less than two consecutive months. In such case, all charges for Supplemental Service will be increased by 20% during any such period.

Deleted: ),

Deleted: ), (3), and (4

**RATE ADJUSTMENT PROVISIONS**Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

Deleted: Performance Based Rate Adjustment¶

¶ The amount determined under the preceding provisions shall be adjusted periodically in accordance with Section 39-1-27.5 of the Rhode Island General Laws.¶

## THE NARRAGANSETT ELECTRIC COMPANY

**C&L BACK-UP SERVICE RATE (B-32)**

Deleted: 200 kW DEMAND

## RETAIL DELIVERY SERVICE

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**CREDIT FOR HIGH VOLTAGE DELIVERY**

If the Customer takes delivery at the Company's supply line voltage, not less than 2400 volts, and the Company is saved the cost of installing any transformer and associated equipment, a credit of 37 cents per kilowatt of billing demand for such month shall be allowed against the amount determined under the preceding provisions.

An additional credit of \$2.41 per kilowatt of the billing demand for such month shall also be allowed if the Customer accepts delivery at not less than 115,000 volts, and the Company is saved the cost of installing any transformer and associated equipment.

The total amount of the credit allowed under this provision shall not exceed the sum of the Customer Charge, the Distribution Demand Charge and the Distribution kWh Charge.

**HIGH-VOLTAGE METERING ADJUSTMENT**

The Company reserves the right to determine the metering installation. Where service is metered at the Company's supply line voltage, in no case less than 2400 volts, thereby saving the Company transformer losses, a discount of 1% will be allowed from the amount determined under the preceding provisions.

**SECOND FEEDER SERVICE**

Except as provided below, Customers receiving second feeder service shall pay \$2.41 per 80% of KVA of reserved second feeder capability. The charge for second feeder capability shall apply only to Customers with second feeder capability installed on or after May 1, 1998. The charge for second feeder capability shall not apply to Customers taking service within the Capital Center of Providence or within the downtown Providence underground network system. The Company's Construction Advance Policy C shall apply to determine any advance contribution by the customer, using an estimate of revenues to be derived from this second feeder rate. The Company reserves the right to decline second feeder service for engineering reasons.

An additional \$0.37 per 80% of KVA of reserved second feeder capability shall be charged if an additional transformer is required at the Customer's facility.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**GROSS EARNINGS TAX CREDIT FOR MANUFACTURERS**

Consistent with the gross receipts tax exemption provided in Section 44-13-35 of Rhode Island General Laws, eligible manufacturing customers will be exempt from the Gross Earnings Tax to the extent allowed by the Division of Taxation.

THE NARRAGANSETT ELECTRIC COMPANY  
**C&I BACK-UP SERVICE RATE (B-32)**  
RETAIL DELIVERY SERVICE

Eligible manufacturing customers are those customers who have on file with the Company a valid certificate of exemption from the Rhode Island sales tax (under section 44-18-30(H) of Rhode Island General Laws) indicating the customer's status as a manufacturer. If the Division of Taxation (or other Rhode Island taxing authority with jurisdiction) disallows any part or all of the exemption as it applies to a customer, the customer will be required to reimburse the Company in the amount of the credits provided to such customer which were disallowed, including any interest required to be paid by the Company to such authority.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, 2005

Deleted: May

Deleted: 2000

THE NARRAGANSETT ELECTRIC COMPANY

**3,000 kW Back-Up Service Rate (B-62)**

Retail Delivery Service

Effective

January 1, ~~2005~~

Deleted: 2004

R.I.P.U.C. No. ~~1173~~

Deleted: 1132

Monthly Charge As Adjusted

	Rates for <u>Back-Up Service</u>	Rates for <u>Supplemental Service</u>	
<u>Rates for Retail Delivery Service</u>			
<u>Customer Charge per month</u>	\$17,118.72	n/a	
<u>Distribution Demand Charge per kW</u>	<del>\$2.48</del>	<del>\$2.48</del>	Deleted: 0.75 \$0.75
<u>Transmission Demand Charge per kW</u>	\$1.39	\$1.39	
<u>Transmission Adjustment Factor per kWh</u>	<del>n/a</del>	<del>0.042¢</del>	Deleted: 0.042¢
<u>Distribution Energy Charge per kWh *</u>	<del>n/a</del>	<del>0.000¢</del>	Deleted: 0.396¢ 0.396
<u>Non-bypassable Transition Charge per kWh</u>	n/a	0.855¢	
<u>C&amp;LM Adjustment per kWh</u>	n/a	0.230¢	

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	n/a	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	n/a	per Last Resort Service tariff

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
3,000 kW DEMAND BACK-UP SERVICE RATE (B-62)  
RETAIL DELIVERY SERVICE

#### AVAILABILITY

This service shall apply to Customers in the class identified below:

- (i) who receive all or any portion of their electric supply from non-emergency generation unit(s) with a nameplate rating greater than 30 kW ("Generation Units"), where electricity received by the Customer from the Generation Units is not being delivered over Company-owned distribution facilities pursuant to an applicable retail delivery tariff, and
- (ii) who expect the Company to provide retail delivery service to supply the Customer's load at the service location when the Generation Units are not supplying all of that load.

Electric delivery service under this rate is applicable to those Customers ~~who~~ would otherwise be served under the Company's 3,000 kW Demand Rate G-62 if the Generation Units were not supplying electricity to the Customer. This tariff shall not apply to customers with a contracted demand of 25 kVA or less.

**Deleted:** being served by Generation Unit(s) installed on or after April 1, 1998 and

All Customers served on this rate must elect to take their total electric delivery service under the metering installation as approved by the Company.

#### TYPES OF SERVICE

"Back-Up" Retail Delivery Service consists of the Company standing ready to provide retail delivery service to the Customer's load when a non-emergency generator that supplies electricity to the Customer without using Company-owned distribution facilities does not supply all of the Customer's load.

"Supplemental" Retail Delivery Service is the delivery over Company-owned distribution facilities of electricity which is utilized at the Customer's facilities.

#### MONTHLY CHARGE

The Monthly Charge will be the sum of the Back-Up Service Charges, and the Supplemental Service Charges, as stated below.

#### BACK-UP RETAIL DELIVERY SERVICE

a) Rates for Back-Up Retail Delivery Service

Customer Charge per month see cover sheet

Distribution Charge per kW see cover sheet

Transmission Charge per kW see cover sheet

**Deleted:** Transmission Charge per kW see cover sheet

**Deleted:** Distribution

**Deleted:** h

**THE NARRAGANSETT ELECTRIC COMPANY  
3,000 kW DEMAND BACK-UP SERVICE RATE (B-62)  
RETAIL DELIVERY SERVICE**

**b) Determination of Kilowatt Demand**

The Company will establish the kilowatt demand to be used for billing Back-Up Service at the level of distribution capacity reserved for the Customer, stated in kilowatts or kilovoltamperes. This demand (or "contractual demand") shall be equal to the generating capability or expected output of the Customer's Generation Unit(s), but shall not exceed the customer's maximum connected load. For a Customer whose actual generation exceeds its contractual demand in any month, a new contractual demand will be established as the greater of the following:

- 1) The greatest fifteen-minute peak of the Customer's Generation Unit(s) occurring in such month as measured in kilowatts; and
- 2) ~~90%~~ of the greatest fifteen-minute peak of the Customer's Generation Unit(s) occurring in such month as measured in kilovolt-amperes.

If for any reason the Company is unable to meter the Customer's Generation Units, the contractual demand shall be established by the Company at the Company's estimate of the maximum possible generating capability of the Customer's Generation Units.

**d) Installation of Meters on Generation**

If the Customer elects to be billed on actual meter readings from generators rather than estimates, the Customer shall permit the Company to install meter(s) on the Generation Units providing electricity to the Customer, for purposes of billing under the terms of this rate. The meter shall be in accordance with the Company's reasonable specifications. The Customer will reimburse the Company for the installed cost of the meter and any associated equipment. The Customer shall provide reasonable access to the Company during normal business hours to read such meter in order to bill the Customer for service under this rate .

**PEAK AND OFF-PEAK PERIODS:**

PEAK HOURS:	June - September	-- 8 a.m. - 10 p.m. Weekdays,
	December - February	-- 7 a.m. - 10 p.m. Weekdays
	October - November	
	March - May	-- 8 a.m. - 9 p.m. Weekdays

OFF-PEAK HOURS: All other hours

Weekdays shall mean Monday through Friday, excluding the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Columbus Day (observed), Labor Day, Veteran's Day, Thanksgiving Day and Christmas Day.

Deleted: Assessment of Kilowatthour Charges¶

¶ For purposes of billing kWh charges for Back-Up Service, Customers will be billed on actual output of the Customer's Generation Unit(s). If for any reason the Company is unable to meter the Customer's Generation Unit(s), the Company may charge the Customer based on estimated kWh output determined on the assumption that the Generation Units operate at their maximum possible capability at a 100% load factor for the entire month.¶

¶  
c)

Deleted: 80

THE NARRAGANSETT ELECTRIC COMPANY  
3,000 kW DEMAND BACK-UP SERVICE RATE (B-62)  
RETAIL DELIVERY SERVICE

**SUPPLEMENTAL RETAIL DELIVERY SERVICE**

**a) Rates for Supplemental Retail Delivery Service**

<u>Transmission Charge per kW</u>	see cover sheet
<u>Distribution Charge per kW</u>	see cover sheet
<u>Distribution Charge per kWh</u>	see cover sheet
<u>Non-Bypassable Transition Charge per kWh</u>	see cover sheet

**b) Assessment of Kilowatthour Charges**

For purposes of billing kWh charges for Supplemental Retail Delivery Service, Customers will be billed on the greater of (i) the actual kWh delivered by the Company or (ii) 80% of the actual kVAh delivered less generated kWh usage.

For purposes of billing kWh charges for ~~Standard Offer~~ Service or Last Resort Power Service, Customers will be billed on actual kWh delivered by the Company.

Deleted: Interim Power

**c) Determination of Kilowatt Demand**

The Demand for each month for Supplemental Service shall be the greatest of the following:

- 1) The greatest fifteen-minute delivery peak occurring in such month during Peak hours as measured in kilowatts;
- 2) ~~90%~~ of the greatest fifteen-minute delivery peak occurring in such month during Peak hours as measured in kilovolt-amperes;
- 3) ~~75%~~ of the greatest Demand as so determined above during the preceding eleven months.

Deleted: 80

Adjustments

- (i) In the case of an outage or reduction in output of customer generation below the contractual demand, the Customer's demand for purposes of billing Supplemental Retail Delivery Service will be adjusted by the difference between the amount of the contractual demand and the actual output of the generator for the period of the reduction or outage.
- (ii) In the case of a Customer generating kilowatts, but receiving reactive power from the Company for their reactive load requirements that otherwise should be supplied by such generation, the Customer's KVA demand for purposes of billing Supplemental Retail Delivery Service will be adjusted to properly account for the actual output of the generator.

Deleted: 50% of the greatest fifteen-minute delivery peak occurring in such month during Off-Peak Hours as measured in kilowatts;¶  
¶  
4) 40% of the greatest fifteen-minute delivery peak occurring in such month during Off-Peak Hours as measured in kilovolt-amperes; and¶  
¶  
5)



**THE NARRAGANSETT ELECTRIC COMPANY**  
**3,000 kW DEMAND BACK-UP SERVICE RATE (B-62)**  
**RETAIL DELIVERY SERVICE**

- (iii) For purposes of the adjustments referred in clauses (i) and (ii) above, if for any reason the Company is unable to meter the Customer's Generation Units, the Company may estimate any adjustment the Company reasonably believes is required. In such case, the Company may request presentation of reasonably reliable documentation from the Customer regarding the operation of the Generation Units before making any such adjustment.

**OPTIONAL DETERMINATION OF DEMAND**

A Customer who has been served under this rate for one year or more may upon written request have the Demand for each month used for Supplemental Service be based upon the greatest of items (1) ~~and~~ (2) set forth above for Kilowatt Demand, beginning with the next month after such request and running for a period of not less than two consecutive months. In such case, all charges for Supplemental Service will be increased by 20% during any such period.

Deleted: ),

Deleted: ), (3), and (4)

**RATE ADJUSTMENT PROVISIONS**

Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

Deleted: Performance Based Rate Adjustment¶

¶  
The amount determined under the preceding provisions shall be adjusted periodically in accordance with Section 39-1-27.5 of the Rhode Island General Laws.¶  
¶

THE NARRAGANSETT ELECTRIC COMPANY  
3,000 kW DEMAND BACK-UP SERVICE RATE (B-62)  
RETAIL DELIVERY SERVICE

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**CREDIT FOR HIGH VOLTAGE DELIVERY**

If the Customer takes delivery at the Company's supply line voltage, not less than 2400 volts, and the Company is saved the cost of installing any transformer and associated equipment, a credit of 37 cents per kilowatt of billing demand for such month shall be allowed against the amount determined under the preceding provisions.

An additional credit of \$2.41 per kilowatt of the billing demand for such month shall also be allowed if the Customer accepts delivery at not less than 115,000 volts, and the Company is saved the cost of installing any transformer and associated equipment.

The total amount of the credit allowed under this provision shall not exceed the sum of the Customer Charge, the Distribution Demand Charge and the Distribution kWh Charge.

**HIGH-VOLTAGE METERING ADJUSTMENT**

The Company reserves the right to determine the metering installation. Where service is metered at the Company's supply line voltage, in no case less than 2400 volts, thereby saving the Company transformer losses, a discount of 1% will be allowed from the amount determined under the preceding provisions.

**SECOND FEEDER SERVICE**

Except as provided below, Customers receiving second feeder service shall pay \$2.41 per 80% of KVA of reserved second feeder capability. The charge for second feeder capability shall apply only to Customers with second feeder capability installed on or after May 1, 1998. The charge for second feeder capability shall not apply to Customers taking service within the Capital Center of Providence or within the downtown Providence underground network system. The Company's Construction Advance Policy C shall apply to determine any advance contribution by the customer, using an estimate of revenues to be derived from this second feeder rate. The Company reserves the right to decline second feeder service for engineering reasons.

An additional \$0.37 per 80% of KVA of reserved second feeder capability shall be charged if an additional transformer is required at the Customer's facility.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**GROSS EARNINGS TAX CREDIT FOR MANUFACTURERS**

Consistent with the gross receipts tax exemption provided in Section 44-13-35 of Rhode Island General Laws, eligible manufacturing customers will be exempt from the Gross Earnings Tax to the extent allowed by the Division of Taxation.

THE NARRAGANSETT ELECTRIC COMPANY  
**3,000 kW DEMAND BACK-UP SERVICE RATE (B-62)**  
RETAIL DELIVERY SERVICE

Eligible manufacturing customers are those customers who have on file with the Company a valid certificate of exemption from the Rhode Island sales tax (under section 44-18-30(H) of Rhode Island General Laws) indicating the customer's status as a manufacturer. If the Division of Taxation (or other Rhode Island taxing authority with jurisdiction) disallows any part or all of the exemption as it applies to a customer, the customer will be required to reimburse the Company in the amount of the credits provided to such customer which were disallowed, including any interest required to be paid by the Company to such authority.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, 2005

Deleted: May

Deleted: 2000

## THE NARRAGANSETT ELECTRIC COMPANY

Small C&I Rate (C-06)  
Retail Delivery ServiceEffective  
January 1, 2005

Deleted: 2004

R.I.P.U.C. No. 1174

Deleted: 1134

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$5.73
<u>Unmetered Charge per month</u>	\$1.83
<u>Non-Bypassable Transition Charge per kWh</u>	0.855¢
<u>Transmission Charge per kWh</u>	0.536¢
<u>Transmission Adjustment Factor per kWh</u>	0.042¢
<u>Distribution Charge per kWh*</u>	3.628¢ (Eff. Jan 1, 2005)
	3.622¢ (Eff. Jan 1, 2006)
	3.615¢ (Eff. Jan 1, 2007)
	3.609¢ (Eff. Jan 1, 2008)
	3.602¢ (Eff. Jan 1, 2009)

Deleted: 860¢

<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢ (Eff. Jan 1, 1997)
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Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

Deleted: Additional Delivery Rates for  
Blackstone Valley Zone ¶¶  
Customer Charge Credit equal to the  
Maximum of (698 - billed kWh) x  
\$0.00338 or zero¶¶  
Additional Delivery Rates for Newport  
Zone¶¶  
Customer Charge Credit equal to the  
Maximum of (124 - billed kWh)  
x \$0.01844 or zero¶

\*In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**SMALL C&I RATE (C-06)**  
RETAIL DELIVERY SERVICE

**AVAILABILITY**

Electric delivery service under this rate is available for all purposes. If electricity is delivered through more than one meter, except at the Company's option, the Monthly Charge for service through each meter shall be computed separately under this rate. Notwithstanding the foregoing, the Company may require any customer with a 12-month average demand greater than 200 kW to take service on the 200 kW Demand Rate G-32.

**MONTHLY CHARGE**

The Monthly Charge will be the sum of the applicable Retail Delivery Service Charges set forth in the cover sheet of this tariff.

**Deleted:** If any electricity is delivered hereunder at a given location, then all electricity delivered by the Company at such location shall be delivered hereunder, except such electricity as may be delivered under the provisions of the Limited Service - Business Space Heating (V-02) rate.

**RATE ADJUSTMENT PROVISIONS**Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**Deleted:** Performance Based Rate Adjustment

The amount determined under the preceding provisions shall be adjusted periodically in accordance with Section 39-1-27.5 of the Rhode Island General Laws.

THE NARRAGANSETT ELECTRIC COMPANY  
**SMALL C&I RATE (C-06)**  
RETAIL DELIVERY SERVICE

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**MINIMUM CHARGE**

Metered Service: \$5.73 per month.  
Unmetered Service: \$1.83 per month.

However, if the kVA transformer capacity needed to serve a customer exceeds 25 kVA, the minimum charge will be increased by \$1.68 for each kVA in excess of 25 kVA.

**UNMETERED ELECTRIC SERVICE**

Unmetered services are usually not permitted or desirable. However, the Company recognizes that there are certain instances where metering is not practical. Examples of such locations are telephone booths and fire box lights. The monthly bill will be computed by applying the rate schedule to a use determined by multiplying the total load in kilowatts by 730 hours. However, the energy use may be adjusted after tests of the unmetered equipment indicate lesser usage. When unmetered service is provided the aforesaid customer charge will be waived and a \$1.83 per month per location service charge will be implemented.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**GROSS EARNINGS TAX CREDIT FOR MANUFACTURERS**

Consistent with the gross receipts tax exemption provided in Section 44-13-35 of Rhode Island General Laws, eligible manufacturing customers will be exempt from the Gross Earnings Tax to the extent allowed by the Division of Taxation.

Eligible manufacturing customers are those customers who have on file with the Company a valid certificate of exemption from the Rhode Island sales tax (under section 44-18-30(H) of Rhode Island General Laws) indicating the customer's status as a manufacturer. If the Division of Taxation (or other Rhode Island taxing authority with jurisdiction) disallows any part or all of the exemption as it applies to a customer, the customer will be required to reimburse the Company in the amount of the credits provided to such customer which were disallowed, including any interest required to be paid by the Company to such authority.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: ~~January 1, 2005~~

Deleted: May

Deleted: 2000

## THE NARRAGANSETT ELECTRIC COMPANY

General C&I Rate (G-02)  
Retail Delivery ServiceEffective  
January 1, 2005

Deleted: 2004

R.I.P.U.C. No. 1175

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## Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$103.41
<u>Transmission Charge per kW in excess of 10 kW</u>	\$1.40
<u>Distribution Charge per kW in excess of 10 kW</u>	\$ <del>3.63</del>
<u>Non-Bypassable Transition Charge per kWh</u>	0.855¢
<u>Transmission Adjustment Factor per kWh</u>	0.042¢
<u>Distribution Charge per kWh*</u>	0. <del>942</del> ¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢ (Eff. Jan. 1, 1997)

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Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**GENERAL C&I RATE (G-02)**  
RETAIL DELIVERY SERVICE

## AVAILABILITY

Electric delivery service under this rate is available for all purposes to customers with a Demand of 10 kilowatts or more. If electricity is delivered through more than one meter, except at the Company's option, the Monthly Charge for service through each meter shall be computed separately under this rate. Notwithstanding the foregoing, the Company may require any customer with a 12-month average Demand greater than 200 kW to take service on the 200 kW Demand Rate G-32.

## MONTHLY CHARGE

The Monthly Charge will be the sum of the Retail Delivery Service Charges set forth in the cover sheet of this tariff.

**Deleted:** If any electricity is delivered hereunder at a given location, then all electricity delivered by the Company at such location shall be delivered hereunder, except such electricity as may be delivered under the provisions of the Limited Service - Business Space Heating (V-02) rate.¶

## RATE ADJUSTMENT PROVISIONS

### Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

### Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

### Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

### Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

## STANDARD OFFER SERVICE

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**Deleted:** Performance Based Rate Adjustment¶

¶ The amount determined under the preceding provisions shall be adjusted periodically in accordance with Section 39-1-27.5 of the Rhode Island General Laws.¶



THE NARRAGANSETT ELECTRIC COMPANY  
**GENERAL C&I RATE (G-02)**  
RETAIL DELIVERY SERVICE

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**DEMAND**

The Demand for each month under ordinary load conditions shall be the greatest of the following:

- a) The greatest fifteen-minute peak occurring during such month as measured in kilowatts,
- b) ~~90%~~ of the greatest fifteen-minute peak occurring during the month as measured in kilovolt-amperes, where the Customer's Demand exceeds 75 kilowatts,
- c) 75% of the greatest Demand as so determined above during the preceding eleven months,
- d) 10 kilowatts.

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Any Demands established during the eleven months prior to the application of this rate shall be considered as having been established under this rate.

**OPTIONAL DETERMINATION OF DEMAND**

A Customer who has been served hereunder for one year or more may upon written request have the Demand for each month, beginning with the next month after such request and running for a period of not less than two consecutive months, be based upon the greatest of items a), b) and d) above. In such case, the Demand Charges and the Energy Charges will be increased by 20% during any such period.

**Deleted: INCREASED NIGHT USE**  
If a customer has entered into a five-year agreement for electric delivery service guaranteeing that the Demand shall be not less than 50 kilowatts and guaranteeing to pay for not less than 200 kilowatt hours per kilowatt of Demand each month, then any fifteen-minute peak shall be reduced by one-half for the purpose of ascertaining the Demand as defined above, during the periods from 10:00 P.M. to 7:00 A.M. daily and from 7:00 A.M. to 10:00 P.M. on Sundays and the following holidays: New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day (observed), Veteran's Day, Thanksgiving Day, and Christmas Day. On one week's notice to the Customer the Company may change the hours specified above provided that the aggregate weekly number of hours are not decreased. For a Customer using the Increased Night Use provisions and taking auxiliary service, the minimum Demand under Auxiliary Service provisions shall be 40% of the kilovolt-ampere rating of the transformers through which service is furnished, whether such transformers be supplied by the Company or the Customer, or, if the service is not furnished through separate transformers, 40% of the kilovolt-ampere rating of the standard size of transformers which would be required for such service. In no case shall the monthly Demand be less than 50 kilowatts.

**CREDIT FOR HIGH VOLTAGE DELIVERY**

If the Customer takes delivery at the Company's supply line voltage, not less than 2400 volts, and the Company is saved the cost of installing any transformer and associated equipment, a credit of 37 cents per kilowatt of billing demand for such month shall be allowed against the amount determined under the preceding provisions.

**HIGH-VOLTAGE METERING ADJUSTMENT**

The Company reserves the right to determine the metering installation. Where service is metered at the Company's supply line voltage, in no case less than 2400 volts, thereby saving the Company transformer losses, a discount of 1% will be allowed from the amount determined under the preceding provisions.

THE NARRAGANSETT ELECTRIC COMPANY  
**GENERAL C&I RATE (G-02)**  
RETAIL DELIVERY SERVICE

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**GROSS EARNINGS TAX CREDIT FOR MANUFACTURERS**

Consistent with the gross receipts tax exemption provided in Section 44-13-35 of Rhode Island General Laws, eligible manufacturing customers will be exempt from the Gross Earnings Tax to the extent allowed by the Division of Taxation.

Eligible manufacturing customers are those customers who have on file with the Company a valid certificate of exemption from the Rhode Island sales tax (under section 44-18-30(H) of Rhode Island General Laws) indicating the customer's status as a manufacturer. If the Division of Taxation (or other Rhode Island taxing authority with jurisdiction) disallows any part or all of the exemption as it applies to a customer, the customer will be required to reimburse the Company in the amount of the credits provided to such customer which were disallowed, including any interest required to be paid by the Company to such authority.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: ~~January 1, 2005~~

Deleted: May

Deleted: 2000

THE NARRAGANSETT ELECTRIC COMPANY

**200 kW Demand Rate (G-32)**  
Retail Delivery Service

Effective  
January 1, ~~2005~~

Deleted: 2004

R.I.P.U.C. No. ~~1176~~

Deleted: 1139

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$236.43
<u>Transmission Charge per kW</u>	\$1.27
<u>Distribution Charge per kW</u>	<del>\$3.12</del>
<u>Non-Bypassable Transition Charge per kWh</u>	0.855¢
<u>Transmission Adjustment Factor per kWh</u>	0.042¢
<u>Distribution Charge per kWh*</u>	<del>0.544¢</del>
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢ (Eff. Jan. 1, 1997)

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Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per Wh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
200 kW DEMAND RATE (G-32)  
RETAIL DELIVERY SERVICE

## AVAILABILITY

Electric delivery service shall be taken under this rate for all purposes by any customer who is placed on the rate by the Company in accordance with this paragraph. The Company shall place on this rate any customer who has a 12-month average Demand of 200 kW or greater for 3 consecutive months as soon as practicable. Notwithstanding the foregoing, the Company may require any customer with a 12-month maximum demand of 3000 kW or greater to take delivery service on the 3000 kW Demand Rate G-62 (subject to the settlement provisions in Docket No. 2290).

If electricity is delivered through more than one meter, except at the Company's option, the Monthly Charge for delivery service through each meter shall be computed separately under this rate. If any electricity is delivered hereunder at a given location, then all electricity deliveries by the Company at such location shall be delivered hereunder.

New Customers: Service will initially be taken under this rate by any new customer who requests service capability of 225 kVA or greater.

Transfers From Rate G-32: Any customer whose 12-month average demand is less than 180 kW for twelve consecutive months may elect to transfer from the 200 kW Demand Rate G-32 to another available rate.

**Deleted:** This paragraph shall not apply to delivery service taken under the Residential Storage Heating Rate E-30 or the Storage Cooling Rate E-40. For purposes of determining the customer's Demand, delivery service taken under rates E-30 and E-40 shall be excluded. Delivery service can be taken on a voluntary basis under this rate by customers who do not meet the minimum size requirements in this paragraph, provided however, that customers required to take delivery service under the 3000 kW Demand Rate G-62 shall take service under that tariff.

**Deleted:** , except for delivery service taken under rate E-30 or E-40

## MONTHLY CHARGE

The Monthly Charge will be the sum of the Retail Delivery Service Charges set forth in the cover sheet of this tariff.

## PEAK OFF-PEAK PERIODS

PEAK HOURS: June - September -- ~~8 a.m. - 10 p.m.~~ Weekdays,  
December - February -- 7 a.m. - 10 p.m. Weekdays  
October - November and  
March - May -- 8 a.m. - 9 p.m. Weekdays

OFF-PEAK HOURS: All other hours

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**Deleted:** December - February -- 8 a.m. - 8 p.m. Weekdays¶  
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SHOULDER HOURS: June - September -- 8 a.m. - 9 a.m., 6 p.m. - 10 p.m. Weekdays¶  
¶

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THE NARRAGANSETT ELECTRIC COMPANY  
200 kW DEMAND RATE (G-32)  
RETAIL DELIVERY SERVICE

Weekdays shall mean Monday through Friday, excluding the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Columbus Day (observed), Labor Day, Veteran's Day, Thanksgiving Day and Christmas Day.

#### **RATE ADJUSTMENT PROVISIONS**

##### Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

##### Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

##### Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

##### Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

#### **STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

#### **LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**Deleted:** Performance Based Rate Adjustment¶

¶ The amount determined under the preceding provisions shall be adjusted periodically in accordance with Section 39-1-27.5 of the Rhode Island General Laws.¶

**THE NARRAGANSETT ELECTRIC COMPANY  
200 kW DEMAND RATE (G-32)  
RETAIL DELIVERY SERVICE**

## DEMAND

The Demand for each month under ordinary load conditions shall be the greatest of the following:

- a) The greatest fifteen-minute peak occurring in such month during Peak or Shoulder hours as measured in kilowatts,
- b) ~~90%~~ of the greatest fifteen-minute peak occurring in such month during Peak or Shoulder hours as measured in kilovolt-amperes,
- c) ~~75% of the greatest Demand as so determined above during the preceding eleven months, and~~
- d) ~~10 kilowatts.~~

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Deleted: c) 50% of the greatest fifteen-minute peak occurring in such month during Off-Peak Hours as measured in kilowatts,¶

Deleted: 40% of the greatest fifteen-minute peak occurring in such month during Off-Peak Hours as measured in kilovolt-amperes,¶  
e) 75% of the greatest Demand as so determined above during the preceding eleven months, and¶  
f)

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## OPTIONAL DETERMINATION OF DEMAND

A Customer who has been served hereunder for one year or more may upon written request have the Demand for each month, beginning with the next month after such request and running for a period of not less than two consecutive months, be based upon the greatest of items (a), (b), and (f) above. In such case, the Demand Charge and the Energy Charge will be increased by 20% during any such period.

## CREDIT FOR HIGH VOLTAGE DELIVERY

If the Customer takes delivery at the Company's supply line voltage, not less than 2400 volts, and the Company is saved the cost of installing any transformer and associated equipment, a credit of 37 cents per kilowatt of billing demand for such month shall be allowed against the amount determined under the preceding provisions.

An additional credit of \$2.41 per kilowatt of the billing demand for such month shall also be allowed if said customer accepts delivery at not less than 115,000 volts, and the Company is saved the cost of installing any transformer and associated equipment.

The total amount of the credit allowed under this provision shall not exceed the sum of the Customer Charge, the Distribution Demand Charge and the Distribution kWh Charge.

Deleted: SERVICE EXTENSION DISCOUNT¶

¶ Service Extension Discount ("SED") agreements are closed to new customers.¶

¶ Notwithstanding any other provisions in the SED, Customers who signed an SED will be allowed to purchase electricity from a registered nonregulated power producer when such Customer becomes eligible to do so under Rhode Island law, without providing the Company with the advance written notice specified in the SED, and without making any payments to the Company required under the terms of the SED. In addition, all SED discounts provided under the terms of the SED agreements shall end January 1, 1998. However, the provisions of the SED requiring Customers to provide five years prior written notice before installing or allowing to be installed a non-emergency generator for its use shall continue to apply, as specified under the terms of the SED, including the provisions requiring payments to the Company to shorten the notice provision. ¶

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## HIGH-VOLTAGE METERING ADJUSTMENT

The Company reserves the right to determine the metering installation. Where service is metered at the Company's supply line voltage, in no case less than 2400 volts, thereby saving the Company transformer losses, a discount of 1% will be allowed from the amount determined under the preceding provisions.

## SECOND FEEDER SERVICE

Except as provided below, Customers receiving second feeder service shall pay \$2.41 per ~~90%~~ of KVA of reserved second feeder capability. The charge for second feeder capability shall apply only to Customers with second feeder capability installed on or after May 1, 1998. The charge for second feeder capability shall not apply to Customers taking service within the Capital Center of Providence or within the downtown Providence underground network system. The Company's Construction Advance Policy C shall apply to determine any

THE NARRAGANSETT ELECTRIC COMPANY  
**200 kW DEMAND RATE (G-32)**  
RETAIL DELIVERY SERVICE

advance contribution by the customer, using an estimate of revenues to be derived from this second feeder rate.  
The Company reserves the right to decline second feeder service for engineering reasons.

An additional \$0.37 per ~~90%~~ of KVA of reserved second feeder capability shall be charged if an additional transformer is required at the Customer's facility.

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**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**GROSS EARNINGS TAX CREDIT FOR MANUFACTURERS**

Consistent with the gross receipts tax exemption provided in Section 44-13-35 of Rhode Island General Laws, eligible manufacturing customers will be exempt from the Gross Earnings Tax to the extent allowed by the Division of Taxation.

Eligible manufacturing customers are those customers who have on file with the Company a valid certificate of exemption from the Rhode Island sales tax (under section 44-18-30(H) of Rhode Island General Laws) indicating the customer's status as a manufacturer. If the Division of Taxation (or other Rhode Island taxing authority with jurisdiction) disallows any part or all of the exemption as it applies to a customer, the customer will be required to reimburse the Company in the amount of the credits provided to such customer which were disallowed, including any interest required to be paid by the Company to such authority.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: ~~January 1, 2005~~

Deleted: May

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THE NARRAGANSETT ELECTRIC COMPANY  
**3000 kW Demand Rate (G-62)**  
Retail Delivery Service

Effective  
January 1, ~~2005~~

Deleted: 2004

R.I.P.U.C. No. ~~1177~~

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Monthly Charge As Adjusted

Rates for Retail Delivery Services

Customer Charge per month \$17,118.72

Transmission Charge per kW \$1.39

Distribution Charge per kW ~~\$2.48~~

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Non-Bypassable Transition Charge per kWh 0.855¢

Transmission Adjustment Factor per kWh 0.042¢

Distribution Charge per kWh\* ~~0.000¢~~

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Conservation and Load Management Adjustment per kWh 0.230¢ (Eff. Jan. 1, 1997)

Rates for Standard Offer Service or Last Resort Service (Optional)

Standard Offer per kWh per Standard Offer Service tariff

Last Resort per kWh per Last Resort Service tariff

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note:** The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.

Other Rate Clauses apply as usual.



**THE NARRAGANSETT ELECTRIC COMPANY**  
**3000 kW DEMAND RATE (G-62)**  
**RETAIL DELIVERY SERVICE**

## AVAILABILITY

Electric delivery service shall be taken under this rate for all purposes by any customer who is placed on the rate by the Company in accordance with this paragraph. The Company shall place on this rate any customer who has a 12-month maximum Demand of 3,000 kW or greater. Delivery service can be taken under this rate by customers who do not meet the qualifications on a voluntary basis.

If electricity is delivered through more than one meter, except at the Company's option, the Monthly Charge for service through each meter shall be computed separately under this rate. If any electricity is delivered hereunder at a given location, then all electricity delivered by the Company at such location shall be delivered hereunder.

New Customers: Delivery service will initially be taken under this rate by any new customer who requests delivery service capability of 3,375 kVA or greater.

Transfers From Rate G-62: Any customer whose 12-month maximum demand is less than 2,700 kW for twelve consecutive months may elect to transfer from the 3,000 kW Demand Rate G-62 to another available rate.

## MONTHLY CHARGE

The Monthly Charge will be the sum of the Retail Delivery Service Charges set forth in the cover sheet of this tariff.

## PEAK, SHOULDER AND OFF-PEAK PERIODS

PEAK HOURS:	June - September	--	8 a.m. - 10 p.m. Weekdays,
	December - February	--	7 a.m. - 10 p.m. Weekdays
	October - November and		
	March - May	--	8 a.m. - 9 p.m. Weekdays

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OFF-PEAK HOURS: All other hours

Weekdays shall mean Monday through Friday, excluding the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Columbus Day (observed), Labor Day, Veteran's Day, Thanksgiving Day and Christmas Day.

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SHOULDER HOURS: June -  
 September -- 8 a.m. - 9 a.m., 6 p.m. -  
 10 p.m., ¶  
 Weekdays ¶  
 December - February -- 7 a.m. - 8 a.m.,  
 8 p.m. - 10 p.m. ¶  
 Weekdays ¶

## RATE ADJUSTMENT PROVISIONS

### Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

THE NARRAGANSETT ELECTRIC COMPANY  
**3000 kW DEMAND RATE (G-62)**  
RETAIL DELIVERY SERVICE

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**DEMAND**

The Demand for each month under ordinary load conditions shall be the greatest of the following:

- a) The greatest fifteen-minute peak occurring in such month during Peak or Shoulder hours as measured in kilowatts,
- b) ~~90%~~ of the greatest fifteen-minute peak occurring in such month during Peak or Shoulder hours as measured in kilovolt-amperes,
- ~~c) 75% of the greatest Demand as so determined above during the preceding eleven months,~~  
~~and~~
- ~~d) 10 kilowatts.~~

Deleted: Performance Based Rate Adjustment¶

¶ The amount determined under the preceding provisions shall be adjusted periodically in accordance with Section 39-1-27.5 of the Rhode Island General Laws.¶

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Deleted: c) 50% of the greatest fifteen-minute peak occurring in such month during Off-Peak Hours as measured in kilowatts,¶

Deleted: 40% of the greatest fifteen-minute peak occurring in such month during Off-Peak Hours as measured in kilovolt-amperes,¶  
e) 75% of the greatest Demand as so determined above during the preceding eleven months, and¶  
f)

THE NARRAGANSETT ELECTRIC COMPANY  
3000 kW DEMAND RATE (G-62)  
RETAIL DELIVERY SERVICE

#### OPTIONAL DETERMINATION OF DEMAND

A Customer who has been served hereunder for one year or more may upon written request have the Demand for each month, beginning with the next month after such request and running for a period of not less than two consecutive months, be based upon the greatest of items (a), (b), and (f) above. In such case, the Demand Charge and the Energy Charge will be increased by 20% during any such period.

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#### CREDIT FOR HIGH VOLTAGE DELIVERY

If the Customer takes delivery at the Company's supply line voltage, not less than 2400 volts, and the Company is saved the cost of installing any transformer and associated equipment, a credit of 37 cents per kilowatt of billing demand for such month shall be allowed against the amount determined under the preceding provisions.

An additional credit of \$2.41 per kilowatt of the billing demand for such month shall also be allowed if said customer accepts delivery at not less than 115,000 volts, and the Company is saved the cost of installing any transformer and associated equipment.

The total amount of the credit allowed under this provision shall not exceed the sum of the Customer Charge, the Distribution Demand Charge and the Distribution kWh Charge.

#### HIGH-VOLTAGE METERING ADJUSTMENT

The Company reserves the right to determine the metering installation. Where service is metered at the Company's supply line voltage, in no case less than 2400 volts, thereby saving the Company transformer losses, a discount of 1% will be allowed from the amount determined under the preceding provisions.

Deleted: SERVICE EXTENSION DISCOUNT¶

¶ Service Extension Discount ("SED") agreements are closed to new customers.¶

¶ Notwithstanding any other provisions in the SED, Customers who signed an SED will be allowed to purchase electricity from a registered nonregulated power producer when such Customer becomes eligible to do so under Rhode Island law, without providing the Company with the advance written notice specified in the SED, and without making any payments to the Company required under terms of the SED. In addition, all SED discounts provided under the terms of the SED agreements shall end January 1, 1998. However, the provisions of the SED requiring Customers to provide five years prior written notice before installing or allowing to be installed a non-emergency generator for its use shall continue to apply, as specified under the terms of the SED, including the provisions requiring payments to the Company to shorten the notice provision.¶

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#### SECOND FEEDER SERVICE

Except as provided below, Customers receiving second feeder service shall pay \$2.41 per 90% of KVA of reserved second feeder capability. The charge for second feeder capability shall apply only to Customers with second feeder capability installed on or after May 1, 1998. The charge for second feeder capability shall not apply to Customers taking service within the Capital Center of Providence or within the downtown Providence underground network system. The Company's Construction Advance Policy C shall apply to determine any advance contribution by the customer, using an estimate of revenues to be derived from this second feeder rate. The Company reserves the right to decline second feeder service for engineering reasons.

An additional \$0.37 per 90% of KVA of reserved second feeder capability shall be charged if an additional transformer is required at the Customer's facility.

THE NARRAGANSETT ELECTRIC COMPANY  
3000 kW DEMAND RATE (G-62)  
RETAIL DELIVERY SERVICE

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**GROSS EARNINGS TAX CREDIT FOR MANUFACTURERS**

Consistent with the gross receipts tax exemption provided in Section 44-13-35 of Rhode Island General Laws, eligible manufacturing customers will be exempt from the Gross Earnings Tax to the extent allowed by the Division of Taxation.

Eligible manufacturing customers are those customers who have on file with the Company a valid certificate of exemption from the Rhode Island sales tax (under section 44-18-30(H) of Rhode Island General Laws) indicating the customer's status as a manufacturer. If the Division of Taxation (or other Rhode Island taxing authority with jurisdiction) disallows any part or all of the exemption as it applies to a customer, the customer will be required to reimburse the Company in the amount of the credits provided to such customer which were disallowed, including any interest required to be paid by the Company to such authority.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: ~~January 1, 2005~~

Deleted: May

Deleted: 2000

THE NARRAGANSETT ELECTRIC COMPANY  
**Limited Traffic Signal Service (R-02)**  
Retail Delivery Service

Effective  
January 1, ~~2005~~

Deleted: 2004

R.I.P.U.C. No. ~~1178~~

Deleted: 1143

Monthly Charge as Adjusted

Rates for Retail Delivery Service

<u>Unmetered Charge per month</u>	<del>\$0.37</del> Effective January 1, 2005
	<del>\$0.73</del> Effective January 1, 2006
	<del>\$1.10</del> Effective January 1, 2007
	<del>\$1.46</del> Effective January 1, 2008
	<del>\$1.83</del> Effective January 1, 2009

Non-Bypassable Transition Charge per kWh 0.855¢

Transmission Charge per kWh 0.259¢

Transmission Adjustment Factor per kWh 0.042¢

<u>Distribution Charge per kWh*</u>	<del>1.414¢</del> Effective January 1, 2005
	<del>1.961¢</del> Effective January 1, 2006
	<del>2.508¢</del> Effective January 1, 2007
	<del>3.055¢</del> Effective January 1, 2008
	<del>3.602¢</del> Effective January 1, 2009

Deleted: 0.867¢

Conservation and Load Management Adjustment per kWh 0.230¢ (Eff. Jan. 1, 1997)

Rates for Standard Offer Service or Last Resort (Optional)

Standard Offer per kWh per Standard Offer Service tariff

Last Resort per kWh per Last Resort Service tariff

\* In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit. .

**Tax Note:** The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**LIMITED TRAFFIC SIGNAL SERVICE (R-02)**  
RETAIL DELIVERY SERVICE

## AVAILABILITY

Electric delivery service under this rate is available to the State or any City or Town, hereinafter referred to as the Customer, for the operation of traffic signals, hereinafter referred to as locations. The availability of this rate is limited to the following customers and locations: those customers and locations who were served under Traffic Signal Rate R - R.I.P.U.C. No. 937 on May 10, 1992 and have continuously been served under the Traffic Signal Rate and successor rate since that date.

## MONTHLY CHARGE

The Monthly Charge will be the sum of the applicable Retail Delivery Service Charges set forth in the cover sheet of this tariff.

## RATE ADJUSTMENT PROVISIONS

### Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

### Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

### Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

### Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

## STANDARD OFFER SERVICE

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

Deleted: Performance Based Rate Adjustment¶

¶ The amount determined under the preceding provisions shall be adjusted periodically in accordance with Section 39-1-27.5 of the Rhode Island General Laws.¶

THE NARRAGANSETT ELECTRIC COMPANY  
LIMITED TRAFFIC SIGNAL SERVICE (R-02)  
RETAIL DELIVERY SERVICE

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**MINIMUM CHARGE**

Unmetered Service: See cover sheet.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**DETERMINATION OF ELECTRICITY DELIVERED**

The Company may determine the electricity delivered from the connected load and operating schedule, or at its option install a meter.

**FURNISHING OF EQUIPMENT**

The customer will furnish, install and maintain all traffic signals and operating mechanisms used in connection therewith including all necessary supports and foundations and all wiring and equipment between such signals and the switch or other mechanism for controlling and operating the signals. The company will furnish, install and maintain all wiring and other apparatus required in connection with the service to be furnished hereunder and located between its lines and the above-mentioned switch or operating mechanism.

**PAYMENTS**

Payments under this rate for traffic signal service furnished by the Company for any month will be due on the 20th day of the next following month.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where applicable hereto and not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: ~~January 1, 2005~~

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Deleted: 2000

THE NARRAGANSETT ELECTRIC COMPANY

**Limited Service - Private Lighting (S-10)**  
Retail Delivery Service

Effective  
January 1, 2005

Deleted: 2004

R.I.P.U.C. No. 1179

Deleted: 1144-A

Luminaire  
Type/Lumens

<u>Incandescent</u>	<u>Code</u>	<u>Annual kWh</u>
1,000	10	440
<u>Mercury Vapor</u>		
8,000 Post Top	2	908
4,000	3	561
8,000	4	908
22,000	5	1,897
63,000	6	4,569
22,000 FL	23	1,897
63,000 FL	24	4,569
<u>Sodium Vapor</u>		
4,000	70	248
5,800	71	349
9,600	72	490
27,500	74	1,284
50,000	75	1,968
27,500 FL	77	1,284
50,000 FL	78	1,968
9,600 Post Top	79	490
27,500 (24 hr)	84	2,568

	<u>Narragansett</u> <u>Zone</u>	<u>Blackstone</u> <u>Zone</u>	<u>Newport</u> <u>Zone</u>
Non-Bypassable Transition Charge per kWh	0.855¢	0.855¢	0.855¢
Distribution Energy Charge per kWh*	0.000¢	0.000¢	0.000¢
Transmission Charge per kWh	0.259¢	0.259¢	0.259¢
Transmission Adjustment Factor per kWh	0.042¢	0.042¢	0.042¢
Conservation & Load Management Adjustment per kWh	0.230¢	0.230¢	0.230¢
Streetlight Credit per kWh	0.000¢	1.326¢	0.875¢

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Plus Standard Offer per Standard Offer Service tariff (Optional)

Plus Last Resort per Last Resort Service tariff (Optional)

\*In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note:**The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).

**However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.



**THE NARRAGANSETT ELECTRIC COMPANY**  
**LIMITED SERVICE - PRIVATE LIGHTING (S-10)**  
**RETAIL DELIVERY SERVICE**

**AVAILABILITY**

Private lighting and floodlighting service is available under this rate to any Customer who prior to the date of this rate was served on Limited Service-Private Lighting Rate S-6, R.I.P.U.C. No. 872. There will be no new installations or relocations under this rate. However, private lighting customers in the Blackstone Valley Zone and Newport Zone who were served on a private lighting rate by Blackstone Valley Electric Company or Newport Electric Company at their current location as of April 30, 2000 shall be placed on this rate by the Company. No other private lighting customers are permitted on this rate, except that a new private lighting customer at a location that was served under this rate may request continuation of service under this rate provided that the request is made within a reasonable time of the customer moving into the service location and the light fixture has not otherwise been removed by the Company.

**RATE**

**A. Luminaire Charge:**

<u>Lumen Rating</u>	<u>Code</u>	<u>Watts</u>	<u>Annual Price Per Unit</u>
<u>Incandescent</u>			
<u>Streetlights</u>			
1,000	10	105	\$75.22
<u>Mercury Vapor</u>			
<u>Post Top</u>			
8,000	02	217	108.85
<u>Streetlights</u>			
4,000	03	134	58.40
8,000	04	217	70.77
22,000	05	454	122.31
63,000	06	1,094	234.25
<u>Floodlights</u>			
22,000	23	454	152.08
63,000	24	1,094	262.72
<u>Sodium Vapor*</u>			
<u>Streetlights</u>			
4,000	70	59	62.78
5,800	71	83	66.28
9,600	72	117	72.63
27,500	74	307	120.39
50,000	75	471	163.46
27,500 (24 hr)	84	300	172.21
<u>Floodlights</u>			
27,500	77	300	143.14
50,000	78	466	181.37
<u>Post Top</u>			
9,600	79	117	78.56

**THE NARRAGANSETT ELECTRIC COMPANY  
LIMITED SERVICE - PRIVATE LIGHTING (S-10)  
RETAIL DELIVERY SERVICE**

Rates for Retail Delivery Service

<u>Non-Bypassable Transition Charge per kWh</u>	see cover sheet
<u>Transmission Charge per kWh</u>	see cover sheet
<u>Distribution Charge per kWh</u>	see cover sheet

\* The above sodium vapor source lights are available for replacement of existing incandescent or mercury vapor source lights. Incandescent and mercury vapor source lights will be replaced by the equivalent sodium vapor equipment when light outage is due to other than lamp or photo cell failure. Conversion of existing incandescent or mercury vapor lights to sodium vapor source lights may also take place at the customer's request.

**B. Pole and Accessory Charge**

An additional annual charge as enumerated below in the schedule of pole prices will be applied to the foregoing charges for the luminaire stated in Section A where the Company is requested to furnish a suitable pole, for the sole purpose of supporting a luminaire. If at a future date the pole is used for any purpose approved by the Company in addition to supporting a street and/or floodlight luminaire, the pole charge will be terminated.

<u>Overhead Service</u>		<u>Annual Price</u>
<u>Mounting Height</u>	<u>Code</u>	<u>Per Unit</u>
<u>Wood Poles</u>	(P)	\$55.45

Underground Service

<u>Non-Metallic Poles</u>		
Fiberglass poles with no base	(R)	57.34
Fiberglass poles with base		
<25 feet	(C)	111.04
Fiberglass poles with base		
=>25 feet	(D)	185.67
<u>Metal Poles</u>		
(With foundation)	(T)	253.37

**RATE ADJUSTMENT PROVISIONS**

Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

THE NARRAGANSETT ELECTRIC COMPANY  
**LIMITED SERVICE - PRIVATE LIGHTING (S-10)**  
RETAIL DELIVERY SERVICE

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**HOURS OF OPERATION**

All lights shall be operated each and every night from approximately one-half hour after sunset until approximately one-half hour before sunrise, a total of approximately 4175 hours each year. No reduction in billing will be allowed for lamp outages.

**PAYMENTS**

One-twelfth of the annual price including such adjustments herein specified will be billed each and every month beginning with the month next following the month in which service is rendered.

**Deleted: Performance Based Rate Adjustment**

¶ The amount determined under the preceding provisions shall be adjusted periodically in accordance with Section 39-1-27.5 of the Rhode Island General Laws.¶

**THE NARRAGANSETT ELECTRIC COMPANY  
LIMITED SERVICE - PRIVATE LIGHTING (S-10)  
RETAIL DELIVERY SERVICE**

**EXCESSIVE DAMAGE**

Excessive damage due to wanton or malicious acts shall be charged to the Customer at the actual cost of labor and material required to repair or replace the unit. Excessive damage is defined as a pole, lamp, fixture or conductors being broken or damaged more than once a year. Notification of excessive damage will be made to the Customer by the Company prior to billing for repairs.

**NOTIFICATION OF OUTAGES**

The Company agrees that it will replace lamps that are burned out, or are not functioning for other reasons, within a reasonable period of time after written notification by the Customer or verbal notification via the designated street light outage phone number. To the extent practicable, the Company also will use all reasonable efforts to respond to reports about outages from the general public, which reports are given by means other than written notice or the street light outage phone number. However, unless such report is made in writing or via the designated phone number, the Company cannot provide any assurances to the Customer that the Company will be able to respond in a timely manner.

The time it takes for the Company to repair or replace lamps depends on the extent of damage to the lamp and/or fixture, the means by which the Company was notified, the size of the backlog of reports, and whether any other abnormal conditions exist which affect the Company's ability to respond in a timely manner.

**MAINTENANCE OF STREET LIGHTS**

It is expressly understood and agreed that the Company has no responsibility to locate or identify burned out or malfunctioning lamps; this is the sole and exclusive responsibility of the Customer. The Company's obligation to the Customer to repair lamps arises only after receipt of appropriate notice of an outage.

**LOCATION OF STREET LIGHTS**

The Customer bears sole responsibility for determining where street lights will be placed and the type of lamp used at each location. The Company bears no responsibility for, and makes no representations or warranties concerning, the locations and lamps selected by the Customer or the adequacy of the resulting lighting.

**DISCLAIMER OF LIABILITY**

The Company's duties and obligations under this tariff extend only to the Customer, and not to any third parties. The Company does not assume and specifically disclaims any liability to third parties arising out of Company's obligations to Customer under this section.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where applicable hereto and not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, ~~2005~~

Deleted: 2001

THE NARRAGANSETT ELECTRIC COMPANY  
General Streetlighting Service (S-14)  
Retail Delivery Service

Effective  
January 1, ~~2005~~

Deleted: 2004

R.I.P.U.C. No. ~~1180~~

Deleted: 1146-A

<u>Luminaire</u> <u>Type/Lumens</u>	<u>Code</u>	<u>Annual kWh</u>
<u>Incandescent</u>		
1,000	10	440
<del>1,500</del>	<del>11</del>	<del>845</del>
<u>Mercury Vapor</u>		
8,000 Post Top	02	908
4,000	03	561
8,000	04	908
<del>15,000</del>	<del>17, 18</del>	<del>1,874</del>
22,000	05	1,897
63,000	06	4,569
<u>Sodium Vapor</u>		
4,000	<del>70, 710, 711, 750, 755, 756</del>	248
5,800	71	349
9,600	72	490
27,500	74	1,284
50,000	75	1,968
27,500 (24 hr)	84	2,568
50,000 FL	78	1,968
9,600 Post Top	79	490

	<u>Narragansett</u> <u>Zone</u>	<u>Blackstone</u> <u>Zone</u>	<u>Newport</u> <u>Zone</u>
Non-Bypassable Transition Charge per kWh	0.855¢	0.855¢	0.855¢
Distribution Energy Charge per kWh	<del>0.000¢</del>	<del>0.000¢</del>	<del>0.000¢</del>
Transmission Charge per kWh	0.259¢	0.259¢	0.259¢
Transmission Adjustment Factor per kWh	0.042¢	0.042¢	0.042¢
Conservation & Load Management Adj. Per kWh	0.230¢	0.230¢	0.230¢
Streetlight Credit per kWh		0.000¢	<del>1.326¢</del> 0.875¢
Standard Offer <u>Service</u>	per Standard Offer Service tariff (Optional)		
Last Resort <u>Service</u>	per Last Resort Service tariff (Optional)		

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\*In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note:** The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**GENERAL STREET LIGHTING SERVICE (S-14)**  
 RETAIL DELIVERY SERVICE

### AVAILABILITY

Street Lighting Service is available under this rate to any city, town, or other public authority hereinafter referred to as the Customer, and to Customers who immediately prior to their transfer to this rate were served on Limited Street Lighting Service (S-12), R.I.P.U.C. NO. 1145-A, in accordance with the provisions and the specifications hereinafter set forth:

Deleted: for all installations made after January 1, 1990.

1. For municipally-owned or accepted roadways, which includes those classified as "private ways" for which a municipality has agreed to supply street lighting service.
2. Service under this rate is contingent upon Company ownership and maintenance of street lighting equipment.
3. Service under this rate is not available for limited access highways or the access and egress ramps.
4. Service under this rate is available to private contractors for street lighting service for streets which have not yet been accepted by the municipality.

### RATE

#### A. Luminaire Charge:

<u>Lumen Rating</u>	<u>Code</u>	<u>Watts</u>	<u>Annual Price Per Unit</u>
<u>Incandescent</u>			
<u>Streetlight</u>			
1,000 *	10	105	\$75.22
2,500 *	11	206	\$67.45

#### Mercury Vapor Streetlights

4,000 *	03	134	\$58.40
8,000 *	04	217	\$70.77
15,000(In) *	17	299	\$122.97
15,000(Out) *	18	299	\$122.97
22,000 *	05	454	\$122.31
63,000 *	06	1,094	\$234.25

#### Post Top

8,000	02	217	\$108.85
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THE NARRAGANSETT ELECTRIC COMPANY  
GENERAL STREET LIGHTING SERVICE (S-14)  
RETAIL DELIVERY SERVICE

<u>Lumen Rating</u>	<u>Code</u>	<u>Watt</u>	<u>Annual Price</u> <u>Per Unit</u>
<u>Sodium Vapor</u>			
<u>Streetlights</u>			
4,000	70	59	\$62.78
5,800	71	83	\$66.28
9,600	72	117	\$72.63
27,500	74	307	\$120.39
50,000	75	471	\$163.46
27,500 (24 Hr)	84	300	\$172.21

Incandescent Conversion

<u>600 to 4,000</u>	<u>755</u>	<u>59</u>	<u>\$ 62.78</u>
<u>600 to 4,000</u>	<u>756</u>	<u>59</u>	<u>\$ 62.78</u>
<u>1,000 to 4,000</u>	<u>750</u>	<u>59</u>	<u>\$ 62.78</u>
<u>1,000 to 4,000</u>	<u>710</u>	<u>59</u>	<u>\$ 62.78</u>
<u>2,500 to 4,000</u>	<u>711</u>	<u>59</u>	<u>\$ 62.78</u>

Post Top

9,600	79	117	\$78.56
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Floodlights

27,500	77	300	<u>\$143.14</u>
50,000	78	466	<u>\$181.37</u>

\* No further installation or relocating of this size light.

Rates for Retail Delivery Service

<u>Non-Bypassable Transition Charge per kWh</u>	see cover sheet
<u>Transmission Charge per kWh</u>	see cover sheet
<u>Distribution Charge per kWh</u>	see cover sheet

B. Pole and Accessory Charge:

An additional annual charge as enumerated below in the schedule of pole prices will be applied to the foregoing charges for the luminaire stated in Section A where the Company is requested to furnish a suitable pole, for the sole purpose of supporting a luminaire. If at a future date the pole is used for any purpose approved by the Company in addition to supporting a street and/or floodlight luminaire, the pole charge will be terminated.

THE NARRAGANSETT ELECTRIC COMPANY  
GENERAL STREET LIGHTING SERVICE (S-14)  
RETAIL DELIVERY SERVICE

Overhead Service

<u>Mounting Height</u>	<u>Code</u>	<u>Annual Price Per Unit</u>
<u>Wood Poles</u>	(P)	\$ 55.45

Underground Service

<u>IN (Providence)</u>	<u>\$110.86</u>
<u>OUT</u>	<u>\$110.86</u>

Non-Metallic Poles

Fiberglass poles with no base	(R)	\$ 57.34
Fiberglass poles with base <25 feet	(C)	\$111.04
Fiberglass poles with base =>25 feet	(D)	\$185.67
<u>Metal Poles</u> (With Foundation)	(T)	\$253.37

**RATE ADJUSTMENT PROVISIONS**Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

**Deleted: Performance Based Rate Adjustment¶**

¶ The amount determined under the preceding provisions shall be adjusted periodically in accordance with Section 39-1-27.5 of the Rhode Island General Laws.¶

=====Section Break (Next Page)=====



THE NARRAGANSETT ELECTRIC COMPANY  
**GENERAL STREET LIGHTING SERVICE (S-14)**  
RETAIL DELIVERY SERVICE

**STANDARD OFFER SERVICE**

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff.

**LAST RESORT SERVICE**

Any Customer served under this rate who does not take its power supply from a non-regulated power producer and is ineligible for Standard Offer Service will receive Last Resort Service pursuant to the Last Resort Service tariff.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**HOURS OF OPERATION**

All lights shall be operated each and every night from approximately one-half hour after sunset until approximately one-half hour before sunrise, a total of approximately 4175 hours each year. No reduction in billing will be allowed for lamp outages.

**PAYMENTS**

One-twelfth of the annual price including such adjustments herein specified will be billed each and every month beginning with the month next following the month in which service is rendered.

**NOTIFICATION OF OUTAGES**

The Company agrees that it will replace lamps that are burned out, or are not functioning for other reasons, within a reasonable period of time after written notification by the Customer or verbal notification via the designated street light outage phone number. To the extent practicable, the Company also will use all reasonable efforts to respond to reports about outages from the general public, which reports are given by means other than written notice or the street light outage phone number. However, unless such report is made in writing or via the designated phone number, the Company cannot provide any assurances to the Customer that the Company will be able to respond in a timely manner.

The time it takes for the Company to repair or replace lamps depends on the extent of damage to the lamp and/or fixture, the means by which the Company was notified, the size of the backlog of reports, and whether any other abnormal conditions exist which affect the Company's ability to respond in a timely manner.

**MAINTENANCE OF STREET LIGHTS**

It is expressly understood and agreed that the Company has no responsibility to locate or identify burned out or malfunctioning lamps; this is the sole and exclusive responsibility of the Customer. The Company's obligation to the Customer to repair lamps arises only after receipt of appropriate notice of an outage.

THE NARRAGANSETT ELECTRIC COMPANY  
GENERAL STREET LIGHTING SERVICE (S-14)  
RETAIL DELIVERY SERVICE

#### LOCATION OF STREET LIGHTS

The Customer bears sole responsibility for determining where street lights will be placed and the type of lamp used at each location. The Company bears no responsibility for, and makes no representations or warranties concerning, the locations and lamps selected by the Customer or the adequacy of the resulting lighting.

#### DISCLAIMER OF LIABILITY

The Company's duties and obligations under this tariff extend only to the Customer, and not to any third parties. The Company does not assume and specifically disclaims any liability to third parties arising out of Company's obligations to Customer under this section.

#### EXCESSIVE DAMAGE

Excessive damage due to wanton or malicious acts shall be charged to the Customer at the actual cost of labor and material required to repair or replace the unit. Excessive damage is defined as a pole, lamp, fixture or conductors being broken or damaged more than once a year. Notification of excessive damage will be made to the Customer by the Company prior to billing for repairs.

#### DISCONTINUANCE OF LIGHTS

The Customer may not discontinue during any calendar year lights in excess of five (5) percent of the number of lights in service except that any number of lights above five (5) percent may be discontinued by mutual agreement upon payment of undepreciated value of the existing light if such light has been installed for a period of less than ten years.

#### CONVERSION OF EXISTING INCANDESCENT AND MERCURY VAPOR LIGHTS TO SODIUM VAPOR

- (1) Incandescent lights - To any municipality or other governmental agency so requesting, the Company will initiate a conversion schedule for the replacement of incandescent lights with an appropriate sodium vapor light. The conversion will be completed in a period as agreed upon. See the above schedule of prices for conversion of incandescent lights to sodium vapor for the cost at time of conversion.
- (2) Mercury vapor lights - To any municipality or other governmental agency so requesting, the Company will initiate a conversion schedule for the replacement of mercury vapor lights with an appropriate sodium vapor light upon payment of the undepreciated value of the existing light if such light has been installed for a period less than ten years. This payment may be spread equally over the following twelve month period. The conversion will be completed in a period as agreed upon.

THE NARRAGANSETT ELECTRIC COMPANY  
**GENERAL STREET LIGHTING SERVICE (S-14)**  
RETAIL DELIVERY SERVICE

**TEMPORARY DISCONNECTION**

The customer may request that a light may be disconnected for a period not to exceed one (1) year. The Company will cease operation and billing of such light upon payment of a disconnect charge of \$25. If served underground, the underground charge will continue.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where applicable hereto and not inconsistent with any specific provisions hereof, are a part of this rate.

Effective Date: January 1, ~~2005~~

Deleted: 2001

THE NARRAGANSETT ELECTRIC COMPANY

**Electric Propulsion Rate (X-01)**  
High Voltage Delivery Service

Effective  
January 1, ~~2005~~

Deleted: 2004

R.I.P.U.C. No. ~~1181~~

Deleted: 1149

Monthly Charge As Adjusted

Rates for High Voltage Delivery Service

<u>Customer Charge per month</u>	\$10,000	
<u>Transmission Demand Charge per kW</u>	\$1.34	
<u>Non-Bypassable Transition Charge per kWh</u>	0.855¢	
<u>Transmission Adjustment Factor per kWh</u>	0.042¢	
<u>Distribution Energy Charge per kWh*</u>		0.396¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢	

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

In addition to base distribution charge, this charge also includes (0.038¢) per kWh for Rate Settlement credit.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
ELECTRIC PROPULSION RATE (X-01)  
HIGH VOLTAGE DELIVERY SERVICE

**AVAILABILITY**

This rate shall apply to any customer taking service for traction power at voltages of 69kV or greater.

**MONTHLY CHARGE**

The Monthly Charge will be the sum of the High Voltage Delivery Service Charges set forth in the cover sheet of this tariff.

**PEAK AND OFF-PEAK PERIODS:**

PEAK HOURS:            June - September        -- 8 a.m. - 10 p.m. Weekdays,  
                              December - February    -- 7 a.m. - 10 p.m. Weekdays  
                              October ~~–~~ November and  
                              March - May                -- 8 a.m. - 9 p.m. Weekdays

OFF-PEAK HOURS:    All other hours

Weekdays shall mean Monday through Friday, excluding the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Columbus Day (observed), Labor Day, Veteran's Day, Thanksgiving Day and Christmas Day.

**DEMAND**

The Demand for each month under ordinary load conditions shall be the greatest of the following:

- a) The greatest peak occurring in such month during Peak hours as measured in kilowatts,
- b) 90% of the greatest peak occurring in such month during Peak hours as measured in kilovolt-amperes,
- c) 75% of the greatest Demand as so determined above during the preceding eleven months, and
- d) 10 kilowatts.

Deleted: 80

Demand shall be measured in fifteen minute intervals.

**RATE ADJUSTMENT PROVISIONS:**Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision.

Deleted: c) 50% of the greatest peak occurring in such month during Off-Peak Hours as measured in kilowatts,¶

THE NARRAGANSETT ELECTRIC COMPANY  
ELECTRIC PROPULSION RATE (X-01)  
HIGH VOLTAGE DELIVERY SERVICE

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision.

Standard Offer Adjustment

The customer will pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the customer is taking or has taken Standard Offer Service.

Conservation and Load Management Adjustment

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Conservation and Load Management Adjustment Provision as from time to time effective in accordance with law.

Deleted: ¶

d) 40% of the greatest peak occurring in such month during Off-Peak Hours as measured in kilovolt-amperes.¶

e) 75% of the greatest Demand as so determined above during the preceding eleven months, and¶

f) 10 kilowatts.¶

¶

Demand shall be measured in fifteen minute intervals. ¶

¶

**STANDARD OFFER SERVICE**

The customer may take Standard Offer Service pursuant to the terms of the Standard Offer Service tariff.

**LAST RESORT SERVICE**

If at any time the customer does not take its power supply from a non-regulated power producer and becomes ineligible for Standard Offer Service, the customer will receive Last Resort Service pursuant to the Last Resort Service tariff.

Deleted: Performance Based Rate Adjustment¶

¶

The amount determined under the preceding provisions shall be adjusted periodically in accordance with Section 39-1-27.5 of the Rhode Island General Laws.¶

**HIGH VOLTAGE SERVICE AGREEMENT**

As a condition for service at high voltage, the Company and the customer shall execute a service agreement that sets forth the terms and conditions for service, including as necessary any reasonable reliability and safety performance requirements and other just and reasonable terms and conditions for taking service, provided that such agreement is filed with the Commission for review and approval. If the Company and the customer are unable to agree on the terms of such agreement, the Company has the right to file an unexecuted form of agreement for approval by the Commission, provided that a copy of the filing is served on the customer. The customer has the right to dispute the reasonableness of any terms of the agreement. The final terms of the form of agreement approved by the Commission (with any modifications the Commission may deem appropriate) will become a part of this tariff with respect to service for the customer when the customer commences taking service at high voltage.

THE NARRAGANSETT ELECTRIC COMPANY  
**ELECTRIC PROPULSION RATE (X-01)**  
HIGH VOLTAGE DELIVERY SERVICE

**CONSTRUCTION REIMBURSEMENT PAYMENT**

The customer shall be required to reimburse the Company for its capital costs incurred for the construction of facilities designed to serve the customer directly, which costs have been incurred prior to the commencement of commercial train service by the customer. Such reimbursement shall also include any applicable tax liability arising out of Internal Revenue Service requirements relating to contributions in aid of construction.

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof (including the high voltage service agreement), are a part of this rate.

**EFFECTIVE DATE OF RATES FOR SERVICE**

The rates set forth in this tariff shall be charged to the customer, commencing on the date that the customer is scheduled to begin electric service from the customer's Warwick substation to run trains on its traction power system, or such other date that may be mutually agreeable to the customer and the Company. However, to the extent that the customer consumes any kilowatthours during any testing period, the customer shall pay all applicable charges under the Company's Standard Offer Service Tariff.

Effective: ~~January 1, 2005~~

Deleted: May

Deleted: 2000

THE NARRAGANSETT ELECTRIC COMPANY

**Station Power Delivery and Reliability Service Rate (M-1)**  
Retail Delivery Service

Effective  
January 1, ~~2005~~

Deleted: 2004

R.I.P.U.C. No. 1164

Rates for Station Power Delivery and Reliability Service

Eligible Customers must select one of the two rate Options A or B below:

**Monthly Charges**

**OPTION A**

<u>Distribution Delivery Service Charge</u>	\$3,500 per month
<u>Non-Bypassable Transition Charge</u>	Higher of: 0.855¢ per kWh or \$3,500
<u>Conservation and Load Management Charge</u>	Higher of 0.230¢ per kWh or \$800

**OPTION B**

<u>Distribution Delivery Service Charge</u>	\$3,500 per month
<u>Non-Bypassable Transition Charge</u>	0.855¢ per kWh
<u>Conservation and Load Management Charge</u>	0.230¢ per kWh

**Tax Note:** The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.



THE NARRAGANSETT ELECTRIC COMPANY  
**STATION POWER DELIVERY AND RELIABILITY SERVICE RATE (M-1)**  
Retail Delivery Service

**AVAILABILITY**

This service shall be available to all Customers meeting the following criteria:

1. The Customer is a "Merchant Generator" who owns and operates a generating facility with one or more generating units with an aggregate generating capacity of 50 MW or more and where all, or virtually all, of the electricity produced by the generating facility is delivered into the transmission grid for resale (net of any self-supplied Station Power);
2. The Customer's generating facility is interconnected directly or indirectly with high voltage facilities at 115 kV or greater where the high voltage facilities serving the customer are sized for deliveries into the transmission grid; and
3. The Customer receives deliveries of electricity from time to time directly or indirectly through the high voltage facilities to serve all or portion of the Customer's Station Power requirements at the generating facility.

This rate shall be mandatory for any Customer meeting the above listed criteria if such Customer arranges its own transmission service for delivery of Station Power into the generating facility, as described below under "Transmission Service Arrangements". Once a Customer takes service under this rate, the Customer may not choose to take service under a different rate without the consent of the Company.

**DEFINITIONS**

As used in this tariff:

**"Merchant Generator"** means a person or entity that owns and operates an electric power production facility and sells the output from such facility (net of self-supplied Station Power), either directly or through a marketer, at wholesale through the transmission grid.

**"Station Power"** means electrical energy and/or capacity used by the Customer for heating, lighting, power for station auxiliaries, office equipment, and/or other power production operating purposes.

**TYPE OF SERVICE**

Station Power Delivery and Reliability Service consists of delivery service through high voltage and/or other interconnected facilities to serve all or a portion of the Customer's Station Power requirements at the generating facilities.

THE NARRAGANSETT ELECTRIC COMPANY  
**STATION POWER DELIVERY AND RELIABILITY SERVICE RATE (M-1)**  
Retail Delivery Service

**DELIVERY POINT CONSOLIDATION**

If the Customer has more than one delivery point for station service deliveries into interrelated generating facilities, the Company may consolidate the metering and delivery points into one billing account for purposes of billing under this rate.

**MONTHLY CHARGE**

Customers must select either Option A or Option B. The Monthly Charge will be the sum of the Station Power Delivery Service Charges stated on the cover sheet for the applicable option. Once a Customer selects an Option, the Customer must remain on that Option for 12 consecutive months before changing Options.

**BILLING DETERMINANTS FOR TRANSITION AND CONSERVATION CHARGES**

Option A -- Monthly Netting

Under Option A, for purposes of determining whether the alternative kilowatt-hour charges apply for the Non-Bypassable Transition Charge and the Conservation and Load Management Charge, the Company will net gross generator output against remotely supplied station service deliveries each month. The charge for each month for such components shall be the higher of (i) the fixed charge or (ii) the kilowatt-hour charge multiplied by the net kilowatt-hours delivered for the month if the deliveries exceed generation output for the month.

Option B -- Hourly Netting

Under Option B, for purposes of determining the kilowatt-hour charges that apply for the Non-Bypassable Transition Charge and the Conservation and Load Management Charges, the Company will net gross generator output against remotely supplied station service deliveries each hour. The charge for each month shall be the kilowatt-hour charge multiplied by the net kilowatt-hours delivered for the hour if the deliveries exceed generation output for such hour.

**RATE ADJUSTMENT CLAUSE APPLICABILITY**

The Transition Charge Adjustment Provision, the Conservation and Load Management Adjustment Provision, the Standard Offer Adjustment Provision, and the Transmission Service Charge Adjustment Provision shall not apply to Option A of this Rate.

The Standard Offer Adjustment Provision and the Transmission Service Charge Adjustment Provision shall not apply to Option B of this Rate.

**THE NARRAGANSETT ELECTRIC COMPANY**  
**STATION POWER DELIVERY AND RELIABILITY SERVICE RATE (M-1)**  
Retail Delivery Service

**TRANSMISSION SERVICE ARRANGEMENTS**

Any Customer served under this rate must make its own arrangements for transmission service to the Customer's generating facility for delivery of Station Power. Such arrangements must be made with the appropriate transmission provider(s) pursuant to a tariff or tariffs jurisdictional to the Federal Energy Regulatory Commission (FERC) in order to assure that the Company is not required to account for any load delivered into the Customer's facility for Station Power for transmission billings assessed on the Company pursuant to FERC jurisdictional transmission tariffs applicable to the Company. This transmission service is distinguishable and separate from transmission service or interconnection arrangements that permit the Customer to deliver output from the generating facility into the transmission grid.

**ARRANGEMENTS FOR GENERATION SERVICE**

Any Customer served under this rate must either (1) establish a settlement account with ISO-New England, Inc., for power supply and must use the settlement account to arrange for any Station Power supply that is not self-supplied at the generating facility or (2) purchase electricity directly from a nonregulated power producer. By electing service under this tariff, the Customer agrees not to take service at any time under the Company's Last Resort Service or Standard Offer Service Tariffs.

**OTHER LOW VOLTAGE SERVICE EXCLUDED**

Any Customer served under this rate who also is receiving Station Power service or other retail delivery service through a separate distribution feeder that is not associated with the facilities through which the Customer delivers generated electricity into the transmission system must take such delivery service through a separate applicable retail delivery service tariff that is separately metered and established as a separate account.

**OTHER FACILITIES EXCLUDED**

This rate applies only to Station Power. The Customer may not use this rate to receive or provide power to other non-generation related facilities, the use of which falls outside of the definition of "Station Power", as defined in this rate.

THE NARRAGANSETT ELECTRIC COMPANY  
**STATION POWER DELIVERY AND RELIABILITY SERVICE RATE (M-1)**  
Retail Delivery Service

**GROSS EARNINGS TAX**

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

**TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: September 1, 2001



THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

**Schedule JAL-10**

**Proposed Non-Bypassable Transition Charge Adjustment Provision**

**Clean Version and Marked to Show Changes**

THE NARRAGANSETT ELECTRIC COMPANY  
NON-BYPASSABLE TRANSITION CHARGE ADJUSTMENT PROVISION

The Non-Bypassable Transition Charge shall collect from customers all Contract Termination Charges billed to the Narragansett Electric Company (the Company) by the New England Power Company or Montaup Electric Company. The Non-Bypassable Transition Charge may be subject to adjustment each time any Contract Termination Charge changes.

On an annual basis, the Company shall reconcile its total cost of Contract Termination Charges against its total transition charge revenue (appropriately adjusted to reflect the Rhode Island Gross Receipts Tax) to determine any excess or deficiency ("Transition Charge Adjustment Balance"). Any positive or negative balance will accrue interest calculated at the rate in effect for customer deposits.

For purposes of the above reconciliation, total transition charge revenues shall mean all revenue collected from customers through the transition charges for the applicable reconciliation period. If there is a positive or negative balance in the then current Transition Charge Adjustment Balance outstanding from the prior period, the balance shall be credited against or added to the new reconciliation amount, as appropriate, in establishing the Transition Charge Adjustment Balance for the new reconciliation period. The Company shall annually determine the Transition Charge Adjustment Balance, if any, for the prior calendar year and make a filing with the Commission. The Company will propose at that time a rate recovery /refund methodology to recover or refund the balance, as appropriate, over a twelve-month period or over any reasonable time period as approved by the Commission.

Modifications to the Non-Bypassable Transition Charge shall be in accordance with a notice filed with the Public Utilities Commission (Commission) setting forth the revised charge and the amount of the increase or decrease. The notice shall further specify the effective date of the change.

This provision is applicable to all Retail Delivery Service rates of the Company.

Effective: January 1, 2005

~~Deleted: 1152~~~~Deleted: 1116~~

**THE NARRAGANSETT ELECTRIC COMPANY  
NON-BYPASSABLE TRANSITION CHARGE ADJUSTMENT PROVISION**

The Non-Bypassable Transition Charge shall collect from customers all Contract Termination Charges billed to the Narragansett Electric Company (the Company) by the New England Power Company or Montaup Electric Company. The Non-Bypassable Transition Charge may be subject to adjustment each time any Contract Termination Charge changes.

On an annual basis, the Company shall reconcile its total cost of Contract Termination Charges against its total transition charge revenue (appropriately adjusted to reflect the Rhode Island Gross Receipts Tax) to determine any excess or deficiency ("Transition Charge Adjustment Balance"). Any positive or negative balance will accrue interest calculated at the rate in effect for customer deposits.

For purposes of the above reconciliation, total transition charge revenues shall mean all revenue collected from customers through the transition charges for the applicable reconciliation period. If there is a positive or negative balance in the then current Transition Charge Adjustment Balance outstanding from the prior period, the balance shall be credited against or added to the new reconciliation amount, as appropriate, in establishing the Transition Charge Adjustment Balance for the new reconciliation period. The Company shall annually determine the Transition Charge Adjustment Balance, if any, for the prior calendar year and make a filing with the Commission. The Company will propose at that time a rate recovery /refund methodology to recover or refund the balance, as appropriate, over a twelve-month period or over any reasonable time period as approved by the Commission.

Modifications to the Non-Bypassable Transition Charge shall be in accordance with a notice filed with the Public Utilities Commission (Commission) setting forth the revised charge and the amount of the increase or decrease. The notice shall further specify the effective date of the change.

This provision is applicable to all Retail Delivery Service rates of the Company.

Effective: January 1, 2005

**Deleted:** The transition charges for the Narragansett Zone will be fixed in accordance with the following schedule through 2004:¶

¶ Year	Fixed Transition Charge¶	Narragansett Zone¶
2000	1.15	¶
2001	1.05	¶
2002	1.05	¶
2003	1.00	¶
2004	0.95	¶

¶ The transition charges in the Blackstone and Newport Zones will be determined by calculating the balance of the Company's total Contract Termination Charge expenses less the estimated transition charge revenues collected in the Narragansett Zone and dividing the balance by the estimated kilowatt-hour deliveries in the Blackstone and Newport Zones. The resulting transition charges in the Blackstone and Newport Zones shall not exceed the amounts established for the period through 2004 as of the date of this Settlement under FERC-approved CTC rates for Blackstone and Newport, respectively ("Transition Charge Maximums"). Once transition charges converge in the three zones, they will be set at the same rates, with applicable adjustments being spread equally among the three zones.¶

¶  
Section Break (Continuous)  
R.I.P.U.C. No. 1152¶

Sheet 2¶  
Cancelling R.I.P.U.C. No. 1116¶

¶  
¶ To the extent that Contract Termination Charge expenses are less than the total transition charge revenue collected from customers in any given year, any such overrecoveries (less amounts applied in accordance with Section 10 of the Stipulation and Settlement from Docket 2930) shall be credited to customers, with interest at the customer deposit rate, in the Blackstone and Newport Zones to lower transition charges for the following year. Underrecoveries in any given year may be collected, with interest at the customer deposit rate, in the following year to the extent allowed under the Transition Charge Maximums specified above. To the extent that any Contract Termination Charge expenses are not collected during this period as a result of the Transition Charge Maximums in the Blackstone and Newport Zones, any underrecoveries will be deferred with interest at the customer deposit rate, for recovery after the Rate Freeze Period through a methodology approved by the Commission. ¶

~~Deleted: May 1, 2000~~





THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

**Schedule JAL-11**  
**Proposed Transmission Service Cost Adjustment Provision**  
**Clean Version and Marked to Show Changes**

THE NARRAGANSETT ELECTRIC COMPANY  
TRANSMISSION SERVICE COST ADJUSTMENT PROVISION

The Transmission Service Cost Adjustment (TCA) shall collect from customers transmission costs billed to The Narragansett Electric Company (Narragansett or the Company) by entities such as New England Power Company, by any other transmission provider, and by regional transmission entities such as the New England Power Pool, a regional transmission group, and independent system operator or any other entity that is authorized to bill Narragansett Electric directly for transmission services.

The transmission service cost adjustment shall be a uniform cents per kilowatthour factor applicable to all kilowatthours delivered by the Company. The factor shall be established annually based on a forecast of transmission costs, taking into account revenues that will be received from base rate transmission charges, and shall include a full reconciliation and adjustment for any over- or under-recoveries of transmission costs incurred during the prior year. The Company may file to change the factor adjustment at any time should significant over- or under-recoveries occur. The reconciliation shall calculate all revenues received by the Company through the base rate transmission charges and this TCA, compare these revenues to all transmission costs incurred during the corresponding year, and pass through the resulting credit or charge, as appropriate, on a uniform per kWh basis, as provided above.

Modifications to the Transmission Service Cost Adjustment Factor shall be in accordance with a notice filed with the Public Utilities Commission (the Commission) setting forth the amount of the revised factor and the amount of the increase or decrease. The notice shall further specify the effective date of such charges.

Effective January 1, 2005

THE NARRAGANSETT ELECTRIC COMPANY  
TRANSMISSION SERVICE COST ADJUSTMENT PROVISION

The Transmission Service Cost Adjustment (TCA) shall collect from customers transmission costs billed to The Narragansett Electric Company (Narragansett or the Company) by entities such as New England Power Company, by any other transmission provider, and by regional transmission entities such as the New England Power Pool, a regional transmission group, and independent system operator or any other entity that is authorized to bill Narragansett Electric directly for transmission services.

The transmission service cost adjustment shall be a uniform cents per kilowatthour factor applicable to all kilowatthours delivered by the Company. The factor shall be established annually based on a forecast of transmission costs, taking into account revenues that will be received from base rate transmission charges, and shall include a full reconciliation and adjustment for any over- or under-recoveries of transmission costs incurred during the prior year. The Company may file to change the factor adjustment at any time should significant over- or under-recoveries occur. The reconciliation shall calculate all revenues received by the Company through the base rate transmission charges and this TCA, compare these revenues to all transmission costs incurred during the corresponding year, and pass through the resulting credit or charge, as appropriate, on a uniform per kWh basis, as provided above.

**Deleted:** On the Effective Date of this adjustment provision, the TCA shall be separately determined for the Customers in the Narragansett, Blackstone and Newport zones to reflect the transmission costs of those companies prior to the Effective Date as determined by a filing made by the Companies at least 30 days prior to the Effective Date.¶

**Deleted:** Effective on January 1, 2001, t

Modifications to the Transmission Service Cost Adjustment Factor shall be in accordance with a notice filed with the Public Utilities Commission (the Commission) setting forth the amount of the revised factor and the amount of the increase or decrease. The notice shall further specify the effective date of such charges.

Effective January 1, 2005

**Deleted:** May 1, 2000

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\Narragansett\tscadjpr.doc



THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

## **WORKPAPERS**



THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

**Workpaper 1(a)**  
**Functionalization of Test Year Rate Base and Expenses**



THE NARRAGANSETT ELECTRIC COMPANY  
**FUNCTIONALIZATION OF RATE YEAR INTRASTATE DISTRIBUTION O & M EXPENSE**

ACCT NO.	DESCRIPTION	(1) TOTAL RATE YEAR EXPENSE	(2) PERCENT PRIMARY ALLOC	(3) DOLLAR ALLOCATION TO PRIMARY (1) x (2)	(4) PERCENT STEP DN ALLOC	(5) DOLLAR ALLOCATION TO STEP DN (1) x (4)	(6) PERCENT SECOND ALLOC	(7) DOLLAR ALLOCATION SECONDARY (1) x (6)	(8) PERCENT CUST ALLOC	(9) DOLLAR ALLOCATION CUSTOMER (1) x (8)
<b>OPERATION</b>										
580	SUPERVISION & ENG 1/	\$4,897,351	50.92%	\$2,493,788	12.04%	\$589,403	20.97%	\$1,026,746	16.08%	\$787,415
581	LOAD DISPATCHING 1/	\$2,056,198	100.00%	\$2,056,198	0.00%	\$0	0.00%	\$0	0.00%	\$0
582	STATION EXPENSE 2/	\$1,492,568	100.00%	\$1,492,568	0.00%	\$0	0.00%	\$0	0.00%	\$0
583	OVHD LINE EXPENSE 3/	\$3,481,713	61.00%	\$2,123,845	0.00%	\$0	39.00%	\$1,357,868	0.00%	\$0
584	UDGD LINE EXPENSE 4/	\$1,452,563	66.58%	\$967,116	0.00%	\$0	33.42%	\$485,447	0.00%	\$0
588	MISC DISTN EXP 1/	\$2,956,592	50.92%	\$1,505,531	12.04%	\$355,830	20.97%	\$619,859	16.08%	\$475,372
589	RENTS 1/	\$86,727	50.92%	\$44,162	12.04%	\$10,438	20.97%	\$18,183	16.08%	\$13,944
TOTAL OPERATION		\$16,423,712	65.05%	\$10,683,208	5.82%	\$955,670	21.36%	\$3,508,102	7.77%	\$1,276,732
<b>MAINTENANCE</b>										
590	SUPERVISION & ENG 1/	\$372,589	50.92%	\$189,727	12.04%	\$44,842	20.97%	\$78,114	16.08%	\$59,906
591	STRUCTURE MTCE 2/	\$54,259	100.00%	\$54,259	0.00%	\$0	0.00%	\$0	0.00%	\$0
592	STATION EQUIP 2/	\$2,343,551	100.00%	\$2,343,551	0.00%	\$0	0.00%	\$0	0.00%	\$0
593	OVHD LINE EXPENSE 3/	\$10,455,562	61.00%	\$6,377,893	0.00%	\$0	39.00%	\$4,077,669	0.00%	\$0
594	UDGD LINE EXPENSE 4/	\$978,831	66.58%	\$651,706	0.00%	\$0	33.42%	\$327,125	0.00%	\$0
595	LINE TRANSFORMERS 5/	\$249,484	7.00%	\$17,464	93.00%	\$232,020	0.00%	\$0	0.00%	\$0
598	MISC DISTN MTCE 1/	\$94,445	50.92%	\$48,092	12.04%	\$11,367	20.97%	\$19,801	16.08%	\$15,185
TOTAL MAINTENANCE		\$14,548,721	66.55%	\$9,682,692	1.98%	\$288,228	30.95%	\$4,502,710	0.52%	\$75,092
SUBTOTAL EXCL. CUST/STLTG		\$30,972,433	65.75%	\$20,365,900	4.02%	\$1,243,898	25.86%	\$8,010,812	4.36%	\$1,351,823
<b>CUSTOMER OR STLTG SPECIFIC:</b>										
585	ST LGHT & SIGNAL OP	\$292,353	0.00%	\$0	0.00%	\$0	0.00%	\$0	100.00%	\$292,353
586	METER EXP	\$3,334,777	0.00%	\$0	0.00%	\$0	0.00%	\$0	100.00%	\$3,334,777
587	CUSTOMER INSTLL EXP	\$621,155	0.00%	\$0	0.00%	\$0	0.00%	\$0	100.00%	\$621,155
596	ST LGHT & SIGNAL MTCE	\$975,323	0.00%	\$0	0.00%	\$0	0.00%	\$0	100.00%	\$975,323
597	METER MTCE	\$199,238	0.00%	\$0	0.00%	\$0	0.00%	\$0	100.00%	\$199,238
SUBTOTAL		\$5,422,846	0.00%	\$0	0.00%	\$0	0.00%	\$0	100.00%	\$5,422,846
INTRASTATE DIST O&M EXP		\$36,395,279	55.96%	\$20,365,900	3.42%	\$1,243,898	22.01%	\$8,010,812	18.61%	\$6,774,669

PRIMARYSTEP DNSECONDARYCUSTOMER

1/ ALLOCATED ON TOTAL DISTRIB.PLANT

50.92%

12.04%

20.97%

16.08%

2/ ALLOCATED ON ACCOUNTS 361 &amp; 362

100.00%

0.00%

0.00%

0.00%

3/ ALLOCATED ON ACCTOUNT 365

61.00%

0.00%

39.00%

0.00%

4/ ALLOCATED ON ACCT 366&amp;367:

TOTAL

UDGD CONDUIT - ACCT 367

\$52,137,008

78.00%

0.00%

22.00%

0.00%

UDGD CABLE - ACCT 367

\$90,575,48360.00%0.00%40.00%0.00%

TOTAL

\$142,712,491

66.58%

0.00%

33.42%

0.00%

5/ ALLOCATED ON ACCT 368

7.00%

93.00%

0.00%

0.00%

SOURCE FOR COLUMN:

(1)  
(2), (4), (6) & (8)PER COMPANY GENERAL LEDGER  
PAGE 7, COLUMN (2)

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THE NARRAGANSETT ELECTRIC COMPANY  
**FUNCTIONALIZATION OF INTRASTATE DEPRECIATION EXPENSE**

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	RATE YEAR INTRASTATE PLANT IN SERVICE		DEPRECIATION
	AMOUNT (1)	PERCENT	EXPENSE
TEST YEAR DEPRECIATION EXPENSE			\$33,001,000 (2)
<u>ALLOCATION TO:</u>			
TRANSMISSION	\$35,320,209	3.74%	\$1,234,136
DISTRIBUTION	\$859,326,682	90.99%	\$30,026,036
GENERAL	<u>\$49,821,418</u>	<u>5.28%</u>	<u>\$1,740,828</u>
TOTAL	<u>\$944,468,309</u>	<u>100.00%</u>	<u>\$33,001,000</u>

## SOURCE:

- (1) COMPANY INTERSTATE ALLOCATION STUDY FOR 2003  
(2) WORKPAPER 1(C), PAGE 2 OF 6

THE NARRAGANSETT ELECTRIC COMPANY  
FUNCTIONALIZATION OF INTRASTATE A&G EXPENSE

		RATE YEAR EXPENSE (1)	PAYROLL RELATED	NON-PAYROLL RELATED
	<u>OPERATION</u>			
920	A & G SALARIES	7,071,900	0	7,071,900
921	OFFICE SUPPLIES & EXP	6,380,410	0	6,380,410
922	ADM EXP TRANSF (CR)	(151,824)	0	(151,824)
923	OUTSIDE SERVICES EMPLOYED	1,285,044	0	1,285,044
924	PROPERTY INSURANCE	1,122,446	0	1,122,446
925	INJURIES & DAMAGES	6,113,345	0	6,113,345
926	EMPL PENSION & BENEFITS	16,420,126	16,420,126	
927	FRANCHISE REQUIREMENTS	0	0	0
928	REGULATORY COMMISSION EXP	2,489,895	0	2,489,895
929	DUPLICATE CHARGES (CR)	0	0	
930.1	GENERAL ADVERTISING EXP	88,823	0	88,823
930.2	MISC GEN'L EXP	3,167,396	0	3,167,396
931	RENTS	<u>961,074</u>	<u>0</u>	<u>961,074</u>
	TOTAL OPERATION EXP	44,948,635	16,420,126	28,528,509
	<u>MAINTENANCE</u>			
935	(935) MAINT OF GENERAL PLANT	<u>\$1,511,006</u>	<u>\$1,511,006</u>	<u>\$0</u>
	TOTAL ADMINISTRATIVE & GENERAL EXPENSE	<u>\$46,459,641</u>	<u>\$17,931,132</u>	<u>\$28,528,509</u>

(1) PER COMPANY GENERAL LEDGER

(1)	(2)	(3)	(4)
<u>FUNCTIONALIZATION</u>	RATE YEAR INTRASTATE <u>PAYROLL EXP.</u>	<u>PERCENT</u>	ALLOCATED A & G <u>EXPENSE</u>
<u>PAYROLL RELATED</u>			
TRANSMISSION	\$0	0.00%	\$0
DISTRIBUTION	\$18,030,440	88.31%	\$15,835,518
CUSTOMER	<u>\$2,386,082</u>	11.69%	<u>\$2,095,614</u>
	\$20,416,522		\$17,931,132
NON-PAYROLL RELATED A&G			<u>\$28,528,509</u>
TOTAL			\$46,459,641

Column (2) - PAGE 18, COLUMN (7)

THE NARRAGANSETT ELECTRIC COMPANY  
FUNCTIONALIZATION OF INTRASTATE TAXES OTHER THAN INCOME

	PAYROLL RELATED (1)	PROPERTY RELATED (1)	TOTAL (1)
<u>FEDERAL</u>			
FEDERAL UNEMPLOYMENT COMPENSATION	\$42,000	\$0	\$42,000
FEDERAL INSURANCE CONTRIBUTION ACT	\$3,320,000	\$0	\$3,320,000
FEDERAL OTHER	\$0	\$260,000	\$260,000
<u>STATE</u>			
STATE UNEMPLOYMENT COMPENSATION	\$184,000	\$0	\$184,000
<u>LOCAL</u>			
REAL ESTATE & PERSONAL PROPERTY	\$0	\$17,133,000	\$17,133,000
TOTAL	<u>\$3,546,000</u>	<u>\$17,393,000</u>	<u>\$20,939,000</u>
<u>FUNCTIONALIZATION</u>			
TRANSMISSION	\$0	\$650,445	\$650,445
DISTRIBUTION	\$3,131,578	\$15,825,061	\$18,956,640
CUSTOMER	\$414,422	\$0	\$414,422
GENERAL	\$0	\$917,494	\$917,494
TOTAL	<u>\$3,546,000</u>	<u>\$17,393,000</u>	<u>\$20,939,000</u>
<u>FUNCTIONALIZATION RATIOS</u>			

PAYROLL RELATED			PROPERTY RELATED		
	INTRASTATE PAYROLL (2)	PERCENT		RATE YEAR PLANT (3)	PERCENT
TRANSMISSION	\$0	0.00%	TRANSMISSION	\$35,320,209	3.74%
DISTRIBUTION	\$18,030,440	88.31%	DISTRIBUTION	\$859,326,682	90.99%
CUSTOMER	<u>\$2,386,082</u>	<u>11.69%</u>	GENERAL	<u>\$49,821,418</u>	<u>5.28%</u>
TOTAL	<u>\$20,416,522</u>	<u>100.00%</u>	TOTAL	<u>\$944,468,309</u>	<u>100.00%</u>

SOURCES: (1) WORKPAPER 1(C), PAGE 2 OF 6  
(2) PAGE 18, COLUMN (7)  
(3) COMPANY INTERSTATE ALLOCATION STUDY FOR 2003

THE NARRAGANSETT ELECTRIC COMPANY  
**FUNCTIONALIZATION OF INTRASTATE DEFERRED FEDERAL INCOME TAX EXPENSE**

---

	RATE YEAR INTRASTATE PLANT IN SERVICE		DEFERRED INCOME TAX
	AMOUNT (1)	PERCENT	EXPENSE
RATE YEAR NET DEFERRED FEDERAL INCOME TAX EXPENSE			\$0 (2)
<u>ALLOCATION TO:</u>			
TRANSMISSION	\$35,320,209	3.74%	\$0
DISTRIBUTION	\$859,326,682	90.99%	\$0
GENERAL	<u>\$49,821,418</u>	<u>5.28%</u>	<u>\$0</u>
TOTAL	<u>\$944,468,309</u>	<u>100.00%</u>	<u>\$0</u>

## SOURCE:

- (1) COMPANY INTERSTATE ALLOCATION STUDY FOR 2003
- (2) WORKPAPER 1(C), PAGE 2 OF 6

THE NARRAGANSETT ELECTRIC COMPANY  
**FUNCTIONALIZATION OF INTRASTATE AMORTIZATION OF INVESTMENT TAX CREDIT**

---

	RATE YEAR INTRASTATE PLANT IN SERVICE		DEFERRED INCOME TAX
	<u>AMOUNT (1)</u>	<u>PERCENT</u>	<u>EXPENSE</u>
RATE YEAR AMORTIZATION OF INVESTMENT TAX CREDIT (2)			(\$717,000)
<u>ALLOCATION TO:</u>			
TRANSMISSION	\$35,320,209	3.74%	(\$26,814)
DISTRIBUTION	\$859,326,682	90.99%	(\$652,364)
GENERAL	<u>\$49,821,418</u>	<u>5.28%</u>	<u>(\$37,822)</u>
TOTAL	<u>\$944,468,309</u>	<u>100.00%</u>	<u>(\$717,000)</u>

## SOURCE:

- (1) COMPANY INTERSTATE ALLOCATION STUDY FOR 2003
- (2) WORKPAPER 1(C), PAGE 3 OF 6

THE NARRAGANSETT ELECTRIC COMPANY  
DETERMINATION OF FUNCTIONALIZED INTRASTATE DISTRIBUTION PLANT

		(1) TEST YEAR PLANT BALANCE	(2) PERCENT PRIMARY ALLOC	(3) DOLLAR ALLOCATION TO PRIMARY	(4) PERCENT STEP DN ALLOC	(5) DOLLAR ALLOCATION TO STEP DN	(6) PERCENT SECOND ALLOC	(7) DOLLAR ALLOCATION 'O SECONDAR'	(8) PERCENT CUST ALLOC	(9) DOLLAR ALLOCATION CUSTOMER
ACCT NO.	DESCRIPTION									
1	360 LAND	\$8,134,518	100.00%	\$8,134,518	0.00%	\$0	0.00%	\$0	0.00%	\$0
2	361 STRUCTURES	\$4,753,664	100.00%	\$4,753,664	0.00%	\$0	0.00%	\$0	0.00%	\$0
3	362 STATION EQUIPMENT	\$133,052,210	100.00%	\$133,052,210	0.00%	\$0	0.00%	\$0	0.00%	\$0
4	364 POLES & TOWERS	\$140,094,873	57.00%	\$79,854,078	0.00%	\$0	43.00%	\$60,240,795	0.00%	\$0
5	365 OVHD CONDUCTOR	\$197,571,225	61.00%	\$120,518,447	0.00%	\$0	39.00%	\$77,052,778	0.00%	\$0
6	366 UDGD CONDUIT	\$52,137,008	78.00%	\$40,666,866	0.00%	\$0	22.00%	\$11,470,142	0.00%	\$0
7	367 UDGD CABLE	\$90,575,483	60.00%	\$54,345,290	0.00%	\$0	40.00%	\$36,230,193	0.00%	\$0
8	368 LINE TRANSFORMERS	\$114,188,832	7.00%	\$7,993,218	93.00%	\$106,195,614	0.00%	\$0	0.00%	\$0
9										
10	SUBTOTAL	\$740,507,813	60.68%	\$449,318,291	14.34%	\$106,195,614	24.98%	\$184,993,908	0.00%	\$0
11										
12										
13										
14	CUSTOMER & STLTG SPECIFIC									
15	369 SERVICES	\$53,082,950	0.00%	\$0	0.00%	\$0	0.00%	\$0	100.00%	\$53,082,950
16	370 METERS	\$44,216,540	0.00%	\$0	0.00%	\$0	0.00%	\$0	100.00%	\$44,216,540
17	371 INST ON CUST PREMISE	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	100.00%	\$0
18	372 LEASED PROPERTY	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	100.00%	\$0
19	373 STREET LIGHTING	\$44,573,065	0.00%	\$0	0.00%	\$0	0.00%	\$0	100.00%	\$44,573,065
20										
21										
22	SUBTOTAL	\$141,872,555	0.00%	\$0	0.00%	\$0	0.00%	\$0	100.00%	\$141,872,555
23										
24	TOTAL DISTRIBUTION PLANT	\$882,380,368	50.92%	\$449,318,291	12.04%	\$106,195,614	20.97%	\$184,993,908	16.08%	\$141,872,555
25										
26										
27										
28										
29	FUNCTIONALIZATION OF RATE YEAR INTRASTATE DISTRIBUTION PLANT									
30										
31	RATE YEAR INTRASTATE TOTAL DISTRIBUTION PLANT			\$859,326,682						
32										
33										
34	ALLOCATION OF RATE YEAR PLANT TO:									
35										
36	PRIMARY	50.92% 1/		\$437,579,087						
37	STEP DOWN	12.04% 1/		\$103,421,073						
38	SECONDARY	20.97% 1/		\$180,160,628						
39	ACCT 369	6.02% 2/		\$51,696,068						
40	ACCT 370	5.01% 2/		\$43,061,308						
41	ACCT 371/ACCT 372	0.00% 2/		\$0						
42	ACCT 373	5.05% 2/		\$43,408,518						
43		100.00%		\$859,326,682						
44										
45	SOURCE:									
46	COL(2)(4)(6), DISTRIBUTION ENGINEERING STUDY									
47										
48	1/ COLUMN (2), (4) AND (6), LINE 24									
49	2/ ACCOUNT BALANCE ABOVE ÷ GRAND TOTAL DISTRIBUTION PLANT									
50										

THE NARRAGANSETT ELECTRIC COMPANY  
**FUNCTIONALIZATION OF INTRASTATE GENERAL PLANT**

---

	RATE YEAR INTRASTATE PAYROLL (1)	PERCENT	GENERAL PLANT
TOTAL RATE YEAR INTRASTATE GENERAL PLANT			\$49,821,418 (2)
ALLOCATION TO:			
TRANSMISSION	\$0	0.00%	\$0
DISTRIBUTION	\$18,030,440	88.31%	\$43,998,781
CUSTOMER	<u>\$2,386,082</u>	<u>11.69%</u>	<u>\$5,822,637</u>
TOTAL	<u>\$20,416,522</u>	<u>100.00%</u>	<u>\$49,821,418</u>

## SOURCE:

- (1) PAGE 18, COLUMN (7)
- (2) COMPANY INTERSTATE ALLOCATION STUDY FOR 2003



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THE NARRAGANSETT ELECTRIC COMPANY  
**FUNCTIONALIZATION OF INTRASTATE DEFERRED TAX RESERVES**

ACCOUNT	TOTAL	TRANSMISSION	DISTRIBUTION	GENERAL
ALLOCATION RATIO	100.00%	3.74%	90.99%	5.28%
TOTAL	<u>(\$99,182,000)</u>	<u>(\$3,709,102)</u>	<u>(\$90,240,973)</u>	<u>(\$5,231,926)</u>

Source: WORKPAPER 1(C), PAGE 3 OF 6

<u>FUNCTIONALIZATION RATIOS:</u>	<u>INTRASTATE RATE YEAR PLANT IN SERVICE</u>	
	<u>AMOUNT</u>	<u>PERCENT</u>
TRANSMISSION	\$35,320,209	3.74%
DISTRIBUTION	\$859,326,682	90.99%
GENERAL	<u>\$49,821,418</u>	<u>5.28%</u>
TOTAL	<u>\$944,468,309</u>	<u>100.00%</u>

THE NARRAGANSETT ELECTRIC COMPANY  
**FUNCTIONALIZATION OF WORKING CASH**

---

	WORKING <u>CAPITAL (1)</u>
TOTAL WORKING CASH	\$12,599,000
Working Cash Itemized:	
O & M Expense	\$7,480,000
Purchased Power	\$7,336,000
Federal Income Tax	\$248,000
Municipal Taxes	(\$4,107,000)
GET & Sales Tax	\$1,560,000
Payroll Tax	<u>\$82,000</u>
Total	\$12,599,000

(1) RIPUC DOCKET NO. 2930, EXHIBIT MDL-4, PAGE 21 OF 22; EXHIBIT AC-3A, PAGE 13 OF 22; EXHIBIT AC-4A, PAGE 13 OF 22

THE NARRAGANSETT ELECTRIC COMPANY  
FUNCTIONALIZATION OF MATERIAL & SUPPLIES

---

	TOTAL O&M <u>AND A&amp;G (2)</u>	ALLOCATION <u>FACTOR</u>	<u>BALANCE</u>
TOTAL MATERIALS & SUPPLIES (1)			\$4,036,000
<u>ALLOCATION TO:</u>			
TRANSMISSION	\$0	0.00%	\$0
DISTRIBUTION	\$36,395,279	100.00%	\$4,036,000
TOTAL	<u>\$36,395,279</u>	<u>100.00%</u>	<u>\$4,036,000</u>

(1) WORKPAPER 1(C), PAGE 3 OF 6

(2) PAGE 13, COLUMN (7)

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**THE NARRAGANSETT ELECTRIC COMPANY  
SUMMARY OF ALLOCATED EXPENSES  
(000)**

ACCOUNT (1)	DESCRIPTION (2)	TEST YEAR INTRASTATE O&M EXPENSE (3)	ALLOCATED ATTRITION (4)	INTRASTATE ALLOCATED WAGE ADJ. (5)	RATE YEAR O&M ADJSTMNTS (6)	TOTAL RATE YEAR INTRA O&M (7)
<b>POWER PRODUCTION EXPENSES</b>						
	OPERATION					
500	SUPERVISION AND ENGINEERING	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
502	STEAM EXPENSES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
503	STEAM FROM OTHER SOURCES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
504	STEAM TRANSFERRED CR.	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
505	ELECTRIC EXPENSES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
506	MISC. STEAM POWER EXPENSES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
507	RENTS	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	SUBTOTAL	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>POWER PRODUCTION EXPENSES</b>						
	MAINTENANCE					
510	MAINT. SUPRVSN & ENG.	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
511	MAINT. OF STRUCTURES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
512	MAINT. OF BOILER PLANT	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
513	MAINT. OF ELECTRIC PLANT	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
514	MAINT. OF MISC STEAM PLANT	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	SUBTOTAL	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>OTHER POWER GENERATION</b>						
	OPERATION					
546	SUPERVISION AND ENGINEERING	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
548	GENERATION EXPENSES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
549	MISC. OTHER POWER GEN.EXP	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
550	RENTS	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	SUBTOTAL	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>OTHER POWER GENERATION</b>						
	MAINTENANCE					
551	MAINT. SUPRVSN & ENG.	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
552	MAINT. OF STRUCTURES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
553	MAINT. OF GEN. & ELECTRIC PLANT	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
554	MAINT. OF MISC OTHER PWR GEN. PLNT	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	SUBTOTAL	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>POWER SUPPLY EXPENSES</b>						
557	SUPERVISION	\$93.924	\$0.000	\$0.000	\$0.000	\$93.924
<b>TRANSMISSION EXPENSES</b>						
	OPERATION					
560	OPER SUPVSN & ENG	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
561	LOAD DISPATCHING	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
562	STATION EXPENSES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
563	OVERHEAD LINES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
564	UNDER GROUND LINES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
565	TRANS. OF ELEC. BY OTHERS	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
566	MISCELLANEOUS	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
567	RENTS	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	SUBTOTAL	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	MAINTENANCE					
568	MAINT. SUPRVSN & ENG.	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
569	MAINT. OF STRUCTURES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
570	MAINT. OF STATION EQUIPMENT	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
571	MAINT. OF OVERHEAD LINES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
572	MAINT. OF UNDERGROUND LINES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
573	MAINT. OF MISC. DISTRIB. PLANT	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	SUBTOTAL	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>DISTRIBUTION EXPENSES</b>						
	OPERATION					
580	OPER SUPVSN & ENG	\$4,883.230	\$0.000	\$0.000	\$14.121	\$4,897.351
581	LOAD DISPATCHING	\$2,056.198	\$0.000	\$0.000	\$0.000	\$2,056.198
582	STATION EXPENSES	\$1,492.568	\$0.000	\$0.000	\$0.000	\$1,492.568
583	OVERHEAD LINES	\$3,481.820	\$0.000	\$0.000	(\$0.107)	\$3,481.713
584	UNDER GROUND LINES	\$1,452.568	\$0.000	\$0.000	(\$0.005)	\$1,452.563
585	ST. LIGHTING & SIGNAL EXP	\$292.353	\$0.000	\$0.000	\$0.000	\$292.353
586	METERS	\$3,367.040	\$0.000	\$0.000	(\$32.263)	\$3,334.777
587	CUSTOMER INSTALLATIONS	\$621.155	\$0.000	\$0.000	\$0.000	\$621.155
588	MISCELLANEOUS	\$2,956.607	\$0.000	\$0.000	(\$0.015)	\$2,956.592
589	RENTS	\$86.727	\$0.000	\$0.000	\$0.000	\$86.727
	SUBTOTAL	\$20,690.266	\$0.000	\$0.000	(\$18.269)	\$20,671.997

**THE NARRAGANSETT ELECTRIC COMPANY  
SUMMARY OF ALLOCATED EXPENSES  
(000)**

ACCOUNT (1)	DESCRIPTION (2)	TEST YEAR INTRASTATE O&M EXPENSE (3)	ALLOCATED ATTRITION (4)	INTRASTATE ALLOCATED WAGE ADJ. (5)	RATE YEAR O&M ADJSTMNTS (6)	TOTAL RATE YEAR INTRA O&M (7)
<b>MAINTENANCE</b>						
590	MAINT. SUPRVSN & ENG.	\$372.603	\$0.000	\$0.000	(\$0.014)	\$372.589
591	MAINT. OF STRUCTURES	\$54.259	\$0.000	\$0.000	\$0.000	\$54.259
592	MAINT. OF STATION EQUIPMENT	\$2,343.579	\$0.000	\$0.000	(\$0.028)	\$2,343.551
593	MAINT. OF OVERHEAD LINES	\$10,455.601	\$0.000	\$0.000	(\$0.039)	\$10,455.562
594	MAINT. OF UNDERGROUND LINES	\$978.831	\$0.000	\$0.000	\$0.000	\$978.831
595	MAINT. OF LINE TRANSFORMERS	\$249.484	\$0.000	\$0.000	\$0.000	\$249.484
596	MAINT. OF ST. LIGHTING & SIGNALS	\$975.235	\$0.000	\$0.000	\$0.088	\$975.323
597	MAINT. OF METERS	\$199.240	\$0.000	\$0.000	(\$0.002)	\$199.238
598	MAINT. OF MISC. DISTRIB. PLANT	\$94.445	\$0.000	\$0.000	\$0.000	\$94.445
	<b>SUBTOTAL</b>	<b>\$15,723.277</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.005</b>	<b>\$15,723.282</b>
<b>CUSTOMER ACCOUNTS EXPENSE</b>						
901	SUPERVISION	\$1,149.932	\$0.000	\$0.000	(\$0.004)	\$1,149.928
902	METER READING	\$1,428.433	\$0.000	\$0.000	\$0.000	\$1,428.433
903	CUST. RECORDS & COLLECT	\$7,527.721	\$0.000	\$0.000	(\$3.128)	\$7,524.593
904	UNCOLLECTIBLE ACCOUNTS	\$5,409.864	\$0.000	\$0.000	(\$320.000)	\$5,089.864
905	MISCELLANEOUS	\$1.202	\$0.000	\$0.000	\$0.000	\$1.202
	<b>SUBTOTAL</b>	<b>\$15,517.152</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$323.132)</b>	<b>\$15,194.020</b>
<b>CUST. SERVICE &amp; INFO EXPENSES</b>						
907	SUPERVISION	\$0.587	\$0.000	\$0.000	\$0.000	\$0.587
908	CUSTOMER ASSISTANCE	\$728.564	\$0.000	\$0.000	\$0.000	\$728.564
909	INFO. & INSTRUCTIONAL	\$363.188	\$0.000	\$0.000	\$0.000	\$363.188
910	MISCELLANEOUS	\$26.333	\$0.000	\$0.000	\$0.000	\$26.333
912	DEMONSTRATION & SELLING	\$36.216	\$0.000	\$0.000	\$2.232	\$38.448
	<b>SUBTOTAL</b>	<b>\$1,154.888</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$2.232</b>	<b>\$1,157.120</b>
<b>ADMIN. &amp; GENERAL EXPENSES</b>						
<b>OPERATION</b>						
920	SUPERVISION	\$7,293.416	\$0.000	\$0.000	(\$221.516)	\$7,071.900
921	OFFICE SUPPLIES	\$7,666.088	\$0.000	\$0.000	(\$1,285.678)	\$6,380.410
922	ADMIN. EXP. TRANSFERRED - CR.	-\$151.824	\$0.000	\$0.000	\$0.000	-\$151.824
923	OUTSIDE SERVICES	\$2,461.763	\$0.000	\$0.000	(\$1,176.719)	\$1,285.044
924	PROPERTY INSURANCE	\$1,122.542	\$0.000	\$0.000	(\$0.096)	\$1,122.446
925	INJURIES & DAMAGES	\$6,128.505	\$0.000	\$0.000	(\$15.160)	\$6,113.345
926	EMPLOYEE PENSIONS & BENEFITS	\$17,283.992	\$0.000	\$0.000	(\$863.866)	\$16,420.126
927	FRANCHISE REQUIREMENTS	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
928	REGULATORY COMMISSION	\$2,489.895	\$0.000	\$0.000	\$0.000	\$2,489.895
929	DUPLICATE CHARGES - CR.	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
930.1	GENERAL ADVERTISING	\$88.835	\$0.000	\$0.000	(\$0.012)	\$88.823
930.2	MISCELLANEOUS	\$3,256.396	\$0.000	\$0.000	(\$89.000)	\$3,167.396
931	RENTS	\$1,550.940	\$0.000	\$0.000	(\$589.866)	\$961.074
	<b>SUBTOTAL</b>	<b>\$49,190.548</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$4,241.913)</b>	<b>\$44,948.635</b>
<b>MAINTENANCE</b>						
935	MAINT. OF GENERAL PLANT	\$1,511.006	\$0.000	\$0.000	\$0.000	\$1,511.006
	<b>GRAND TOTAL OPERATING EXPENSES</b>	<b>\$103,881.061</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$4,581.077)</b>	<b>\$99,299.984</b>
<b>FUNCTIONALIZATION SUMMARY</b>						
	TOTAL PRODUCTION EXPENSES	\$93.924	\$0.000	\$0.000	\$0.000	\$93.924
	TOTAL TRANSMISSION EXPENSES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	TOTAL DISTRIBUTION EXPENSES	\$36,413.543	\$0.000	\$0.000	(\$18.264)	\$36,395.279
	TOTAL CUST ACCOUNTS EXPENSES	\$15,517.152	\$0.000	\$0.000	(\$323.132)	\$15,194.020
	TOTAL CUST SERVICE EXPENSES	\$1,154.888	\$0.000	\$0.000	\$2.232	\$1,157.120
	TOTAL A&G EXPENSES	\$50,701.554	\$0.000	\$0.000	(\$4,241.913)	\$46,459.641
	<b>GRAND TOTAL O&amp;M EXPENSES</b>	<b>\$103,881.061</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$4,581.077)</b>	<b>\$99,299.984</b>

SOURCE: COLUMN

3 PER COMPANY GENERAL LEDGER

4 NO ADJUSTMENT

5 PAGES 16 - 18, COLUMN 10

6 WORKPAPER 1(C), PAGE 2 OF 6

7 COLUMN 3 + COLUMN 4 + COLUMN 5 + COLUMN 6

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**ALLOCATION OF INFLATION ADJUSTMENT BY ACCOUNT**  
(000)

CCOUNT	DESCRIPTION	TEST YEAR - TOTAL COMPANY				INTRASTATE				
		TEST YR.	ADJSTMNTS	ADJUSTED	LESS:	TEST YEAR	TEST YEAR	TEST YEAR	RESIDUAL	ALLOCATED
		O&M EXP.		O&M EXP.	INTERSTATE	O&M EXP.	WAGES	ADJSTMNTS	O & M EXP.	ATTRITION
(1)	(2)	(3)	(4)	(3) - (4)	(6)	(5) - (6)	(8)	(9)	(7) - (8) - (9)	(11)
	POWER PRODUCTION EXPENSES									
	OPERATION									
500	SUPERVISION AND ENGINEERING	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
502	STEAM EXPENSES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
503	STEAM FROM OTHER SOURCES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
504	STEAM TRANSFERRED CR.	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
505	ELECTRIC EXPENSES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
506	MISC. STEAM POWER EXPENSES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
507	RENTS	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	SUBTOTAL	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	POWER PRODUCTION EXPENSES									
	MAINTENANCE									
510	MAINT. SUPRVSN & ENG.	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
511	MAINT. OF STRUCTURES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
512	MAINT. OF BOILER PLANT	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
513	MAINT. OF ELECTRIC PLANT	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
514	MAINT. OF MISC STEAM PLANT	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
		\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	OTHER POWER GENERATION									
	OPERATION									
546	SUPERVISION AND ENGINEERING	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
548	GENERATION EXPENSES	\$469,398.000	(\$469,398.000)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
549	MISC. OTHER POWER GEN.EXP	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
550	RENTS	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	SUBTOTAL	\$469,398.000	(\$469,398.000)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	OTHER POWER GENERATION									
	MAINTENANCE									
551	MAINT. SUPRVSN & ENG.	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
552	MAINT. OF STRUCTURES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
553	MAINT. OF GEN. & ELECTRIC PLAN	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
554	MAINT. OF MISC OTHER PWR GEN.	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	SUBTOTAL	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	POWER SUPPLY EXPENSES									
557	SUPERVISION	\$93.924	\$0.000	\$93.924	\$0.000	\$93.924	\$0.000	\$0.000	\$93.924	\$0.000
	TRANSMISSION EXPENSES									
	OPERATION									
560	OPER SUPVSN & ENG	\$187.855	\$0.000	\$187.855	\$187.855	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
561	LOAD DISPATCHING	(\$2,322.953)	\$0.000	(\$2,322.953)	(\$2,322.953)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
562	STATION EXPENSES	\$259.645	\$0.000	\$259.645	\$259.645	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
563	OVERHEAD LINES	\$63.829	\$0.000	\$63.829	\$63.829	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
564	UNDER GROUND LINES	\$36.298	\$0.000	\$36.298	\$36.298	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
565	TRANS. OF ELEC. BY OTHERS	\$42,640.859	(\$42,640.859)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
566	MISCELLANEOUS	\$60.807	\$0.000	\$60.807	\$60.807	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
567	RENTS	\$7.213	\$0.000	\$7.213	\$7.213	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
		\$40,933.553	(\$42,640.859)	(\$1,707.306)	(\$1,707.306)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	TRANSMISSION									
	MAINTENANCE									
568	MAINT. SUPRVSN & ENG.	\$135.971	\$0.000	\$135.971	\$135.971	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
569	MAINT. OF STRUCTURES	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
570	MAINT. OF STATION EQUIPMENT	\$1,296.765	\$0.000	\$1,296.765	\$1,296.765	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
571	MAINT. OF OVERHEAD LINES	\$626.247	\$0.000	\$626.247	\$626.247	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
572	MAINT. OF UNDERGROUND LINES	\$39.750	\$0.000	\$39.750	\$39.750	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
573	MAINT. OF MISC. TRANS. PLANT	\$3.741	\$0.000	\$3.741	\$3.741	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
		\$2,102.474	\$0.000	\$2,102.474	\$2,102.474	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	DISTRIBUTION EXPENSES									
	OPERATION									
580	OPER SUPVSN & ENG	\$4,883.230	\$0.000	\$4,883.230	\$0.000	\$4,883.230	\$1,798.998	\$0.000	\$3,084.232	\$0.000
581	LOAD DISPATCHING	\$2,056.198	\$0.000	\$2,056.198	\$0.000	\$2,056.198	\$8.374	\$0.000	\$2,047.824	\$0.000
582	STATION EXPENSES	\$1,492.568	\$0.000	\$1,492.568	\$0.000	\$1,492.568	\$984.250	\$0.000	\$508.318	\$0.000
583	OVERHEAD LINES	\$3,481.820	\$0.000	\$3,481.820	\$0.000	\$3,481.820	\$2,653.469	\$0.000	\$828.351	\$0.000
584	UNDER GROUND LINES	\$1,452.568	\$0.000	\$1,452.568	\$0.000	\$1,452.568	\$1,211.163	\$0.000	\$241.405	\$0.000
585	ST. LIGHTING & SIGNAL EXP	\$292.353	\$0.000	\$292.353	\$0.000	\$292.353	\$186.194	\$0.000	\$106.159	\$0.000
586	METERS	\$3,367.040	\$0.000	\$3,367.040	\$0.000	\$3,367.040	\$2,752.615	\$0.000	\$614.425	\$0.000
587	CUSTOMER INSTALLATIONS	\$621.155	\$0.000	\$621.155	\$0.000	\$621.155	\$373.011	\$0.000	\$248.144	\$0.000
588	MISCELLANEOUS	\$2,956.607	\$0.000	\$2,956.607	\$0.000	\$2,956.607	\$1,203.296	\$0.000	\$1,753.311	\$0.000
589	RENTS	\$86.727	\$0.000	\$86.727	\$0.000	\$86.727	\$0.000	\$0.000	\$86.727	\$0.000
	SUBTOTAL	\$20,690.266	\$0.000	\$20,690.266	\$0.000	\$20,690.266	\$11,171.370	\$0.000	\$9,518.896	\$0.000

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**ALLOCATION OF INFLATION ADJUSTMENT BY ACCOUNT**  
(000)

CCOUNT	DESCRIPTION	TEST YEAR - TOTAL COMPANY				INTRASTATE					
		TEST YR.	ADJSTMNTS	ADJUSTED	LESS:	TEST YEAR	TEST YEAR	TEST YEAR	TEST YEAR	RESIDUAL	ALLOCATED
		O&M EXP.		O&M EXP.	INTERSTATE	O&M EXP.	WAGES	ADJSTMNTS	O & M EXP.		
(1)	(2)	(3)	(4)	(3) - (4) (5)	(6)	(5) - (6) (7)	(8)	(9)	(7) - (8) - (9) (10)	(11)	
	DISTRIBUTION EXPENSES										
	MAINTENANCE										
590	MAINT. SUPRVSN & ENG.	\$372.603	\$0.000	\$372.603	\$0.000	\$372.603	\$0.555	\$0.000	\$372.048	\$0.000	
591	MAINT. OF STRUCTURES	\$54.259	\$0.000	\$54.259	\$0.000	\$54.259	\$17.872	\$0.000	\$36.387	\$0.000	
592	MAINT. OF STATION EQUIPMENT	\$2,343.579	\$0.000	\$2,343.579	\$0.000	\$2,343.579	\$1,246.718	\$0.000	\$1,096.861	\$0.000	
593	MAINT. OF OVERHEAD LINES	\$10,455.601	\$0.000	\$10,455.601	\$0.000	\$10,455.601	\$4,205.011	\$0.000	\$6,250.590	\$0.000	
594	MAINT. OF UNDERGROUND LINES	\$978.831	\$0.000	\$978.831	\$0.000	\$978.831	\$620.751	\$0.000	\$358.080	\$0.000	
595	MAINT. OF LINE TRANSFORMERS	\$249.484	\$0.000	\$249.484	\$0.000	\$249.484	\$89.146	\$0.000	\$160.338	\$0.000	
596	MAINT. OF ST. LIGHTING & SIGNAL	\$975.235	\$0.000	\$975.235	\$0.000	\$975.235	\$602.319	\$0.000	\$372.916	\$0.000	
597	MAINT. OF METERS	\$199.240	\$0.000	\$199.240	\$0.000	\$199.240	\$59.083	\$0.000	\$140.157	\$0.000	
598	MAINT. OF MISC. DISTRIB. PLANT	\$94.445	\$0.000	\$94.445	\$0.000	\$94.445	\$17.615	\$0.000	\$76.830	\$0.000	
	SUBTOTAL	\$15,723.277	\$0.000	\$15,723.277	\$0.000	\$15,723.277	\$6,859.070	\$0.000	\$8,864.207	\$0.000	
	CUSTOMER ACCOUNT EXPENSE										
	OPERATION										
901	SUPERVISION	\$1,149.932	\$0.000	\$1,149.932	\$0.000	\$1,149.932	\$418.635	\$0.000	\$731.297	\$0.000	
902	METER READING	\$1,428.433	\$0.000	\$1,428.433	\$0.000	\$1,428.433	\$964.458	\$0.000	\$463.975	\$0.000	
903	CUST. RECORDS & COLLECT	\$7,527.721	\$0.000	\$7,527.721	\$0.000	\$7,527.721	\$169.334	\$0.000	\$7,358.387	\$0.000	
904	UNCOLLECTIBLE ACCOUNTS	\$5,409.864	\$0.000	\$5,409.864	\$0.000	\$5,409.864	\$0.000	\$0.000	\$5,409.864	\$0.000	
905	MISCELLANEOUS	\$1.202	\$0.000	\$1.202	\$0.000	\$1.202	\$1.074	\$0.000	\$0.128	\$0.000	
	SUBTOTAL	\$15,517.152	\$0.000	\$15,517.152	\$0.000	\$15,517.152	\$1,553.501	\$0.000	\$13,963.651	\$0.000	
	CUSTOMER SERVICE & INFORMATIONAL EXPENSES										
	OPERATION										
907	SUPERVISION	\$0.587	\$0.000	\$0.587	\$0.000	\$0.587	\$0.107	\$0.000	\$0.480	\$0.000	
908	CUSTOMER ASSISTANCE	\$17,587.564	(\$16,859.000)	\$728.564	\$0.000	\$728.564	\$820.923	\$0.000	(\$92.359)	\$0.000	
909	INFO. & INSTRUCTIONAL	\$363.188	\$0.000	\$363.188	\$0.000	\$363.188	\$1.031	\$0.000	\$362.157	\$0.000	
910	MISCELLANEOUS	\$26.333	\$0.000	\$26.333	\$0.000	\$26.333	\$10.520	\$0.000	\$15.813	\$0.000	
912	DEMONSTRATION & SELLING	\$36.216	\$0.000	\$36.216	\$0.000	\$36.216	\$10.520	\$0.000	\$25.696	\$0.000	
	SUBTOTAL	\$18,013.888	(\$16,859.000)	\$1,154.888	\$0.000	\$1,154.888	\$843.101	\$0.000	\$311.787	\$0.000	
	ADMINISTRATIVE AND GENERAL EXPENSES										
	OPERATION										
920	SUPERVISION	\$7,522.553	\$0.000	\$7,522.553	\$229.137	\$7,293.416	\$1,477.036	\$0.000	\$5,816.380	\$0.000	
921	OFFICE SUPPLIES	\$7,906.933	\$0.000	\$7,906.933	\$240.845	\$7,666.088	(\$7.401)	\$0.000	\$7,673.489	\$0.000	
922	ADMIN. EXP. TRANSFERRED - CR.	(\$156.594)	\$0.000	(\$156.594)	(\$4.770)	(\$151.824)	\$0.000	\$0.000	(\$151.824)	\$0.000	
923	OUTSIDE SERVICES	\$2,539.104	\$0.000	\$2,539.104	\$77.341	\$2,461.763	\$0.000	\$0.000	\$2,461.763	\$0.000	
924	PROPERTY INSURANCE	\$1,157.809	\$0.000	\$1,157.809	\$35.267	\$1,122.542	\$0.000	\$0.000	\$1,122.542	\$0.000	
925	INJURIES & DAMAGES	\$6,321.044	\$0.000	\$6,321.044	\$192.539	\$6,128.505	\$335.437	\$0.000	\$5,793.068	\$0.000	
926	EMPLOYEE PENSIONS & BENEFITS	\$17,827.002	\$0.000	\$17,827.002	\$543.010	\$17,283.992	\$12.839	\$0.000	\$17,271.153	\$0.000	
927	FRANCHISE REQUIREMENTS	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
928	REGULATORY COMMISSION	\$2,568.120	\$0.000	\$2,568.120	\$78.225	\$2,489.895	\$0.000	\$0.000	\$2,489.895	\$0.000	
929	DUPLICATE CHARGES - CR.	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
930.1	GENERAL ADVERTISING	\$91.626	\$0.000	\$91.626	\$2.791	\$88.835	\$0.000	\$0.000	\$88.835	\$0.000	
930.2	MISCELLANEOUS	\$3,358.702	\$0.000	\$3,358.702	\$102.306	\$3,256.396	\$0.000	\$0.000	\$3,256.396	\$0.000	
931	RENTS	\$1,599.666	\$0.000	\$1,599.666	\$48.726	\$1,550.940	\$0.000	\$0.000	\$1,550.940	\$0.000	
	SUBTOTAL	\$50,735.965	\$0.000	\$50,735.965	\$1,545.417	\$49,190.548	\$1,817.911	\$0.000	\$47,372.637	\$0.000	
	MAINTENANCE										
935	MAINT. OF GENERAL PLANT (935)	\$1,558.477	\$0.000	\$1,558.477	\$47.471	\$1,511.006	\$255.458	\$0.000	\$1,255.548	\$0.000	
	GRAND TOTAL EXPENSE	\$634,766.976	(\$528,897.859)	\$105,869.117	\$1,988.056	\$103,881.061	\$22,500.411	\$0.000	\$81,380.650	\$0.000	
	FUNCTIONALIZATION SUMMARY										
	TOTAL PRODUCTION EXPENSES	\$469,491.924	(\$469,398.000)	\$93.924	\$0.000	\$93.924	\$0.000	\$0.000	\$93.924	\$0.000	
	TOTAL TRANSMISSION EXPENSES	\$43,036.027	(\$42,640.859)	\$395.168	\$395.168	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
	TOTAL DISTRIBUTION EXPENSES	\$36,413.543	\$0.000	\$36,413.543	\$0.000	\$36,413.543	\$18,030.440	\$0.000	\$18,383.103	\$0.000	
	TOTAL CUST ACCOUNTS EXPENSE	\$15,517.152	\$0.000	\$15,517.152	\$0.000	\$15,517.152	\$1,553.501	\$0.000	\$13,963.651	\$0.000	
	TOTAL CUST SERVICE EXPENSES	\$18,013.888	(\$16,859.000)	\$1,154.888	\$0.000	\$1,154.888	\$843.101	\$0.000	\$311.787	\$0.000	
	TOTAL A & G EXPENSES	\$52,294.442	\$0.000	\$52,294.442	\$1,592.888	\$50,701.554	\$2,073.369	\$0.000	\$48,628.185	\$0.000	
	GRAND TOTAL O&M EXPENSES	\$634,766.976	(\$528,897.859)	\$105,869.117	\$1,988.056	\$103,881.061	\$22,500.411	\$0.000	\$81,380.650	\$0.000	

SOURCE: COLUMN  
\$4.000 WORKPAPER 1(C), PAGE 2 OF 6  
\$6.000 WORKPAPER 1(C), PAGE 2 OF 6  
\$9.000 NO ADJUSTMENT  
\$11.000 NO ADJUSTMENT





**THE NARRAGANSETT ELECTRIC COMPANY**  
**ALLOCATION OF SALARY & WAGE EXPENSE ADJUSTMENT - BY ACCOUNT**  
**(000)**

ACCOUNT	CATEGORY	TEST YEAR - TOTAL COMPANY					LESS:	INTRASTATE		
		SAL. & WAGE EXPENSE	CLEARING ALLOCATOR	ALLOCATED CLEARING	TEST YEAR ADJTMNTS	ADJUSTED SAL. & WAGES	INTERSTATE SAL. & WAGES	TEST YEAR WAGES	ALLOCATION OF PAYROLL ADJ	RATE YEAR SAL. & WAGES
(1)	(2)	(3)	(4)	(3) x (4) (5)	(6)	(3) + (5) - (6) (7)	(8)	(7) - (8) (9)	(10)	(9) - (10) (11)
	<b>TRANSMISSION EXPENSES</b>									
	OPERATION									
560	OPER SUPVSN & ENG	\$0.000	0.000%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
561	LOAD DISPATCHING	\$0.000	0.000%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
562	STATION EXPENSES	\$205.367	0.863%	\$0.000	\$0.000	\$205.367	\$205.367	\$0.000	\$0.000	\$0.000
563	OVERHEAD LINES	\$29.395	0.124%	\$0.000	\$0.000	\$29.395	\$29.395	\$0.000	\$0.000	\$0.000
564	UNDER GROUND LINES	\$31.822	0.134%	\$0.000	\$0.000	\$31.822	\$31.822	\$0.000	\$0.000	\$0.000
565	TRANS. OF ELEC. BY OTHERS	\$0.000	0.000%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
566	MISCELLANEOUS	\$0.000	0.000%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
567	RENTS	\$0.000	0.000%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	SUBTOTAL	\$266.584	1.12%	\$0.000	\$0.000	\$266.584	\$266.584	\$0.000	\$0.000	\$0.000
	MAINTENANCE									
568	MAINT. SUPRVSN & ENG.	\$0.000	0.000%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
569	MAINT. OF STRUCTURES	\$0.000	0.000%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
570	MAINT. OF STATION EQUIPMENT	\$367.165	1.544%	\$0.000	\$0.000	\$367.165	\$367.165	\$0.000	\$0.000	\$0.000
571	MAINT. OF OVERHEAD LINES	\$1.948	0.008%	\$0.000	\$0.000	\$1.948	\$1.948	\$0.000	\$0.000	\$0.000
572	MAINT. OF UNDERGROUND LINES	\$24.699	0.104%	\$0.000	\$0.000	\$24.699	\$24.699	\$0.000	\$0.000	\$0.000
573	MAINT. OF MISC. DISTRIB. PLANT	\$0.000	0.000%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	SUBTOTAL	\$393.812	1.66%	\$0.000	\$0.000	\$393.812	\$393.812	\$0.000	\$0.000	\$0.000
	<b>DISTRIBUTION EXPENSES</b>									
	OPERATION									
580	OPER SUPVSN & ENG	\$1,798.998	7.564%	\$0.000	\$0.000	\$1,798.998	\$0.000	\$1,798.998	\$0.000	\$1,798.998
581	LOAD DISPATCHING	\$8.374	0.035%	\$0.000	\$0.000	\$8.374	\$0.000	\$8.374	\$0.000	\$8.374
582	STATION EXPENSES	\$984.250	4.138%	\$0.000	\$0.000	\$984.250	\$0.000	\$984.250	\$0.000	\$984.250
583	OVERHEAD LINES	\$2,653.469	11.156%	\$0.000	\$0.000	\$2,653.469	\$0.000	\$2,653.469	\$0.000	\$2,653.469
584	UNDER GROUND LINES	\$1,211.163	5.092%	\$0.000	\$0.000	\$1,211.163	\$0.000	\$1,211.163	\$0.000	\$1,211.163
585	ST. LIGHTING & SIGNAL EXP	\$186.194	0.783%	\$0.000	\$0.000	\$186.194	\$0.000	\$186.194	\$0.000	\$186.194
586	METERS	\$2,752.615	11.573%	\$0.000	\$0.000	\$2,752.615	\$0.000	\$2,752.615	\$0.000	\$2,752.615
587	CUSTOMER INSTALLATIONS	\$373.011	1.568%	\$0.000	\$0.000	\$373.011	\$0.000	\$373.011	\$0.000	\$373.011
588	MISCELLANEOUS	\$1,203.296	5.059%	\$0.000	\$0.000	\$1,203.296	\$0.000	\$1,203.296	\$0.000	\$1,203.296
589	RENTS	\$0.000	0.000%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	SUBTOTAL	\$11,171.370	46.97%	\$0.000	\$0.000	\$11,171.370	\$0.000	\$11,171.370	\$0.000	\$11,171.370
	MAINTENANCE									
590	MAINT. SUPRVSN & ENG.	\$0.555	0.002%	\$0.000	\$0.000	\$0.555	\$0.000	\$0.555	\$0.000	\$0.555



THE NARRAGANSETT ELECTRIC COMPANY  
ALLOCATION OF SALARY & WAGE EXPENSE ADJUSTMENT - BY ACCOUNT  
(000)

ACCOUNT	CATEGORY	TEST YEAR - TOTAL COMPANY					LESS:	INTRASTATE		
		SAL. & WAGE EXPENSE	CLEARING ALLOCATOR	ALLOCATED CLEARING	TEST YEAR ADJTMNTS	ADJUSTED SAL. & WAGES	INTERSTATE SAL. & WAGES	TEST YEAR WAGES	ALLOCATION OF PAYROLL ADJ	RATE YEAR SAL. & WAGES
		(3)	(4)	(3) x (4) (5)	(6)	(3) + (5) - (6) (7)	(8)	(7) - (8) (9)	(10)	(9) - (10) (11)
925	INJURIES & DAMAGES	\$339.924	1.429%	\$0.000	\$0.000	\$339.924	\$4.487	\$335.437	\$0.000	\$335.437
926	EMPLOYEE PENSIONS & BENEFITS	\$13.011	0.055%	\$0.000	\$0.000	\$13.011	\$0.172	\$12.839	\$0.000	\$12.839
927	FRANCHISE REQUIREMENTS	\$0.000	0.000%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
928	REGULATORY COMMISSION	\$0.000	0.000%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
929	DUPLICATE CHARGES - CR.	\$0.000	0.000%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
930.1	GENERAL ADVERTISING	\$0.000	0.000%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
930.2	MISCELLANEOUS	\$0.000	0.000%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
931	RENTS	\$0.000	0.000%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	SUBTOTAL	\$1,842.229	7.75%	\$0.000	\$0.000	\$1,842.229	\$24.318	\$1,817.911	\$0.000	\$1,817.911
	MAINTENANCE									
935	MAINT. OF GENERAL PLANT (935)	\$258.875	1.088%	\$0.000	\$0.000	\$258.875	\$3.417	\$255.458	\$0.000	\$255.458
	GRAND TOTAL - PAYROLL EXPENSE	<b>\$23,784.948</b>	100.00%	<b>\$0.000</b>	<b>(\$606.926)</b>	<b>\$23,178.022</b>	<b>\$688.131</b>	<b>\$22,489.891</b>	<b>\$0.000</b>	<b>\$22,489.891</b>
	FUNCTIONALIZATION SUMMARY									
	TOTAL PRODUCTION PAYROLL EXP	\$0.000	0.00%	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
	TOTAL TRANSMISSION PAYROLL EXP	\$660.396	2.78%	\$0.000	\$0.000	\$660.396	\$660.396	\$0.000	\$0.000	\$0.000
	TOTAL DISTRIBUTION PAYROLL EXP	\$18,030.440	75.81%	\$0.000	\$0.000	\$18,030.440	\$0.000	\$18,030.440	\$0.000	\$18,030.440
	TOTAL CUST ACCTOUNTS PAYROLL	\$1,553.501	6.53%	\$0.000	\$0.000	\$1,553.501	\$0.000	\$1,553.501	\$0.000	\$1,553.501
	TOTAL CUST SERVICE PAYROLL	\$1,439.507	6.05%	\$0.000	(\$606.926)	\$832.581	\$0.000	\$832.581	\$0.000	\$832.581
	TOTAL A&G PAYROLL	\$2,101.104	8.83%	\$0.000	\$0.000	\$2,101.104	\$27.735	\$2,073.369	\$0.000	\$2,073.369
	GRAND TOTAL - PAYROLL EXPENSE	<b>\$23,784.948</b>	<b>100.00%</b>	<b>\$0.000</b>	<b>(\$606.926)</b>	<b>\$23,178.022</b>	<b>\$688.131</b>	<b>\$22,489.891</b>	<b>\$0.000</b>	<b>\$22,489.891</b>

SOURCE: COLUMN  
3 PER COMPANY GENERAL LEDGER  
6 COMPANY INTERSTATE ALLOCATION STUDY FOR 2003  
8 COMPANY INTERSTATE ALLOCATION STUDY FOR 2003  
6 NO ADJUSTMENT



THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

**Workpaper 1(b)**  
**Allocation Factors**

**NARRAGANSETT ELECTRIC COMPANY  
DEVELOPMENT OF DEMANDS COINCIDENT WITH NECO PEAK  
CALCULATION OF TWELVE-MONTH AVERAGE**

RATE	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TWELVE- MONTH AVERAGE
A16	496,313	428,424	485,819	420,349	182,318	501,083	609,868	615,819	402,376	452,497	412,537	511,907	459,942
A18	58,220	55,375	49,291	47,558	20,018	36,024	42,592	39,143	27,973	31,696	39,575	50,032	41,458
A32	19,069	15,268	15,424	15,159	6,646	12,693	13,600	13,996	10,130	9,299	11,991	15,361	13,219
B62	9,679	23,056	21,398	18,003	19,085	26,831	28,060	22,587	24,193	18,539	16,374	19,182	20,582
C06	75,891	72,362	67,694	53,138	85,646	142,738	122,354	134,306	105,628	65,571	66,591	77,149	89,089
E30	477	457	296	245	97	155	170	158	125	144	171	271	230
E40	192	219	310	386	812	1,603	2,210	1,526	1,880	1,351	405	191	924
G02	149,137	147,688	145,111	128,792	190,615	201,990	191,703	216,011	188,296	136,945	131,519	133,464	163,439
G22	56,740	55,772	51,931	46,236	74,376	98,179	75,383	87,868	67,765	53,586	50,664	53,231	64,311
G32	219,574	212,283	212,400	188,767	336,682	365,672	337,151	378,309	331,583	265,855	281,129	267,894	283,108
G62	57,919	37,858	40,891	35,936	41,698	47,437	44,111	45,639	50,583	42,043	41,114	38,254	43,624
N01	14,440	14,238	13,835	12,506	15,366	18,207	16,305	18,339	15,573	13,809	13,079	13,892	14,966
ST LIGHT	20,772	20,772	20,772	133	133	133	133	133	133	133	20,772	20,772	8,733
T (C&I)	2,474	1,796	1,800	1,493	643	788	744	1,045	788	972	1,022	1,087	1,221
T (RES)	2,294	1,967	1,627	1,863	768	913	622	938	782	1,061	849	2,043	1,311
V00	1,930	1,484	1,432	954	825	1,430	1,424	1,502	1,102	468	782	891	1,185
X01	<u>4.558</u>	<u>5.436</u>	<u>5.205</u>	<u>4.083</u>	<u>2.808</u>	<u>4.334</u>	<u>5.235</u>	<u>4.205</u>	<u>5.256</u>	<u>3.859</u>	<u>3.197</u>	<u>6.667</u>	<u>4.570</u>
TOTAL	<u>1,189,678</u>	<u>1,094,455</u>	<u>1,135,235</u>	<u>975,602</u>	<u>978,533</u>	<u>1,460,210</u>	<u>1,491,663</u>	<u>1,581,525</u>	<u>1,234,166</u>	<u>1,097,827</u>	<u>1,091,769</u>	<u>1,212,287</u>	<u>1,211,913</u>

SOURCE: 2003 LOAD RESEARCH STUDIES

**NARRAGANSETT ELECTRIC COMPANY  
R.I.P.U.C. NO.  
DEVELOPMENT OF DEMANDS COINCIDENT WITH NECO PEAK  
(TWELVE-MONTH AVERAGE)**

RATE	(1) COIN. DEMAND (WITH LOSSES)	(2) COIN COMPANY DEMAND	(3) ADJUSTMENT FACTOR	(4) ADJUSTED COIN. DEMAND
A16	516,504	1,292,417	0.95805	494,836
A18	46,556	1,292,417	0.95805	44,603
A32	14,845	1,292,417	0.95805	14,222
E30	259	1,292,417	0.95805	248
T (RES)	1,472	1,292,417	0.95805	1,410
B62	22,332	1,292,417	0.95805	21,395
C06	100,045	1,292,417	0.95805	95,848
E40	1,037	1,292,417	0.95805	994
G02	183,441	1,292,417	0.95805	175,746
G22	72,219	1,292,417	0.95805	69,190
G32	309,261	1,292,417	0.95805	296,287
G62	47,332	1,292,417	0.95805	45,346
N01	16,238	1,292,417	0.95805	15,557
ST LIGHT	9,807	1,292,417	0.95805	9,395
T (C&I)	1,371	1,292,417	0.95805	1,314
V00	1,331	1,292,417	0.95805	1,275
X01	<u>4,959</u>	1,292,417	0.95805	<u>4,751</u>
TOTAL	<u>1,349,008</u>			<u>1,292,417</u>

COLUMN NOTE:  
1 SEE WORKPAPER 1B SECTION 2, COLUMN 13  
2 AVERAGE OF REPORTED MONTHLY NECO COINCIDENT DEMANDS  
3 COLUMN 2 DIVIDED BY TOTAL IN COLUMN 1  
4 COLUMN 1 MULTIPLIED BY COLUMN 3

**NARRAGANSETT ELECTRIC COMPANY  
DEVELOPMENT OF DEMANDS COINCIDENT WITH CLASS PEAK  
CALCULATION OF TWELVE-MONTH AVERAGE**

RATE	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TWELVE-MONTH AVERAGE
A16	506,666	460,369	507,767	434,965	382,261	627,536	620,921	679,336	480,367	468,298	467,303	531,421	513,934
A18	53,505	47,691	48,576	42,790	31,713	44,680	47,944	41,329	37,104	41,734	39,790	47,064	43,660
A32	17,374	13,726	14,120	14,669	9,216	14,016	13,672	14,502	10,289	12,358	12,553	14,921	13,451
B62	10,278	26,591	19,695	24,939	19,073	26,900	28,047	21,827	23,649	15,578	19,295	19,666	21,295
C06	109,515	97,585	97,898	81,812	87,548	144,538	136,596	132,793	117,024	93,301	89,321	102,310	107,520
E30	320	266	287	229	130	154	170	166	140	214	191	289	213
E40	40	46	51	546	818	1,617	1,054	1,510	807	623	455	43	634
G02	182,645	179,837	181,360	190,567	191,111	202,133	212,305	222,757	214,617	173,058	175,540	158,575	190,375
G22	81,893	77,829	71,365	76,198	72,501	97,581	91,120	90,549	83,184	71,151	68,757	67,924	79,171
G32	261,670	251,600	251,237	248,200	333,400	369,235	368,977	384,029	364,605	317,820	347,971	316,121	317,905
G62	59,850	39,968	42,788	43,855	41,020	47,083	46,180	46,444	50,743	44,958	44,752	40,605	45,687
N01	17,186	16,481	16,581	15,171	15,372	19,568	19,133	19,146	18,213	15,636	16,305	15,605	17,033
ST LIGHT	133	133	133	133	133	133	133	133	133	133	133	133	133
T (C&I)	2,411	1,811	1,763	746	692	840	853	1,023	990	759	680	1,003	1,131
T (RES)	2,182	1,849	1,690	1,830	839	886	704	858	965	1,256	806	2,051	1,326
V00	2,188	1,840	1,517	710	748	1,315	1,412	1,424	999	688	740	1,309	1,241
X01	<u>8,043</u>	<u>6,271</u>	<u>4,644</u>	<u>3,593</u>	<u>6,991</u>	<u>7,459</u>	<u>3,010</u>	<u>2,253</u>	<u>6,696</u>	<u>6,214</u>	<u>1,540</u>	<u>7,913</u>	<u>5,386</u>
TOTAL	<u>1,315,901</u>	<u>1,223,892</u>	<u>1,261,472</u>	<u>1,180,954</u>	<u>1,193,566</u>	<u>1,605,675</u>	<u>1,592,232</u>	<u>1,660,079</u>	<u>1,410,526</u>	<u>1,263,779</u>	<u>1,286,130</u>	<u>1,326,953</u>	<u>1,360,097</u>

SOURCE: 2003 LOAD RESEARCH STUDIES



**NARRAGANSETT ELECTRIC COMPANY  
DEVELOPMENT OF DEMANDS COINCIDENT WITH NECO PEAK  
(TWELVE-MONTH AVERAGE)  
CALCULATION OF DEMANDS WITH LOSSES**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
RATE	COINCIDENT DEMAND AT CUSTOMER	PERCENTAGE AT SECONDARY	PERCENTAGE AT STEP DOWN	COINCIDENT DEMAND AT SECONDARY	SECONDARY LOSS MULTIPLIER	COINCIDENT DEMAND AT SECONDARY WITH LOSSES	COINCIDENT DEMAND AT STEP DOWN	STEP DOWN LOSS MULTIPLIER	COINCIDENT DEMAND AT STEP DOWN WITH LOSSES	COINCIDENT DEMAND AT PRIMARY	SUM OF COINCIDENT DEMANDS AT PRIMARY	PRIMARY LOSS MULTIPLIER	COINCIDENT DEMAND AT PRIMARY WITH LOSSES
A16	459,942	100	0	459,942	1.035	476,040	0	1.010	476,040	0	476,040	1.085	516,504
A18	41,458	100	0	41,458	1.035	42,909	0	1.010	42,909	0	42,909	1.085	46,556
A32	13,219	100	0	13,219	1.035	13,682	0	1.010	13,682	0	13,682	1.085	14,845
E30	230	100	0	230	1.035	239	0	1.010	239	0	239	1.085	259
T (RES)	1,311	100	0	1,311	1.035	1,356	0	1.010	1,356	0	1,356	1.085	1,472
B62	20,582	0	0	0	1.035	0	0	1.010	0	20,582	20,582	1.085	22,332
C06	89,089	100	0	89,089	1.035	92,207	0	1.010	92,207	0	92,207	1.085	100,045
E40	924	100	0	924	1.035	956	0	1.010	956	0	956	1.085	1,037
G02	163,439	98.4	0.14	160,824	1.035	166,453	229	1.010	166,684	2,386	169,070	1.085	183,441
G22	64,311	100	0	64,311	1.035	66,562	0	1.010	66,562	0	66,562	1.085	72,219
G32	283,108	0	68	0	1.035	0	192514	1.010	194,439	90,595	285,033	1.085	309,261
G62	43,624	0	0	0	1.035	0	0	1.010	0	43,624	43,624	1.085	47,332
N01	14,966	0	0	0	1.035	0	0	1.010	0	14,966	14,966	1.085	16,238
ST LIGHT	8,733	100	0	8,733	1.035	9,038	0	1.010	9,038	0	9,038	1.085	9,807
T (C&I)	1,221	100	0	1,221	1.035	1,264	0	1.010	1,264	0	1,264	1.085	1,371
V00	1,185	100	0	1,185	1.035	1,227	0	1.010	1,227	0	1,227	1.085	1,331
X01	<u>4,570</u>	0	0	<u>0</u>	1.035	<u>0</u>	<u>0</u>	1.010	<u>0</u>	<u>4,570</u>	<u>4,570</u>	1.085	<u>4,959</u>
TOTAL	<u>1,211,913</u>			<u>842,448</u>		<u>871,934</u>	<u>192,742</u>		<u>1,066,603</u>	<u>176,722</u>	<u>1,243,326</u>		<u>1,349,008</u>

COLUMN NOTE:

- 1 SEE WORKPAPER 1B SECTION 1
- 2 ESTIMATES FROM COMPANY REVENUE STATISTICS
- 3 ESTIMATES FROM COMPANY REVENUE STATISTICS
- 4 COLUMN 1 MULTIPLIED BY COLUMN 2
- 5 SOURCE: NATIONAL GRID LOSS STUDY
- 6 COLUMN 4 MULTIPLIED BY COLUMN 5
- 7 COLUMN 1 MULTIPLIED BY COLUMN 3
- 8 SOURCE: NATIONAL GRID LOSS STUDY
- 9 COLUMN 7 MULTIPLIED BY COLUMN 8, PLUS COLUMN 6
- 10 COLUMN 1 LESS COLUMN 4 AND COLUMN 7
- 11 SUM OF COLUMNS 9 AND 10
- 12 SOURCE: NATIONAL GRID LOSS STUDY
- 13 COLUMN 11 MULTIPLIED BY COLUMN 12

**NARRAGANSETT ELECTRIC COMPANY  
DEVELOPMENT OF DEMANDS COINCIDENT WITH CLASS PEAK  
(TWELVE-MONTH AVERAGE)  
CALCULATION OF DEMANDS WITH LOSSES**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
RATE	CLASS PEAK DEMAND AT CUSTOMER	PERCENTAGE AT SECONDARY	PERCENTAGE AT STEP DOWN	CLASS PEAK DEMAND AT SECONDARY	SECONDARY LOSS MULTIPLIER	CLASS PEAK DEMAND AT SECONDARY WITH LOSSES	CLASS PEAK DEMAND AT STEP DOWN	STEP DOWN LOSS MULTIPLIER	CLASS PEAK DEMAND AT STEP DOWN WITH LOSSES	CLASS PEAK DEMAND AT PRIMARY	SUM OF CLASS PEAK DEMANDS AT PRIMARY	PRIMARY LOSS MULTIPLIER	CLASS PEAK DEMAND AT PRIMARY WITH LOSSES
<b>CLASS: RESIDENTIAL</b>													
A16	513,934	100	0	513,934	1.035	531,922	0	1.010	531,922	0	531,922	1.085	577,135
A18	43,660	100	0	43,660	1.035	45,188	0	1.010	45,188	0	45,188	1.085	49,029
A32	13,451	100	0	13,451	1.035	13,922	0	1.010	13,922	0	13,922	1.085	15,106
E30	213	100	0	213	1.035	220	0	1.010	220	0	220	1.085	239
T (RES)	1,326	100	0	1,326	1.035	1,373	0	1.010	1,373	0	1,373	1.085	1,489
<b>CLASS: COMM. AND IND.</b>													
B62	21,295	0	0	0	1.035	0	0	1.010	0	21,295	21,295	1.085	23,105
C06	107,520	100	0	107,520	1.035	111,283	0	1.010	111,283	0	111,283	1.085	120,742
E40	634	100	0	634	1.035	656	0	1.010	656	0	656	1.085	712
G02	190,375	98.4	0.14	187,329	1.035	193,886	267	1.010	194,155	2,779	196,935	1.085	213,674
G22	79,171	100	0	79,171	1.035	81,942	0	1.010	81,942	0	81,942	1.085	88,907
G32	317,905	0	68	0	1.035	0	216,176	1.010	218,337	101,730	320,067	1.085	347,273
G62	45,687	0	0	0	1.035	0	0	1.010	0	45,687	45,687	1.085	49,571
N01	17,033	0	0	0	1.035	0	0	1.010	0	17,033	17,033	1.085	18,481
ST LIGHT	133	100	0	133	1.035	138	0	1.010	138	0	138	1.085	150
T (C&I)	1,131	100	0	1,131	1.035	1,170	0	1.010	1,170	0	1,170	1.085	1,270
V00	1,241	100	0	1,241	1.035	1,284	0	1.010	1,284	0	1,284	1.085	1,393
X01	<u>5,386</u>	0	0	<u>0</u>	1.035	<u>0</u>	<u>0</u>	1.010	<u>0</u>	<u>5,386</u>	<u>5,386</u>	1.085	5,843
TOTAL	<u>1,360,097</u>			<u>949,745</u>		<u>982,986</u>	<u>216,442</u>		<u>1,201,592</u>	<u>193,910</u>	<u>1,395,502</u>		<u>1,514,120</u>

COLUMN NOTE:

- 1 SEE WORKPAPER 1B SECTION 4
- 2 ESTIMATES FROM COMPANY REVENUE STATISTICS
- 3 ESTIMATES FROM COMPANY REVENUE STATISTICS
- 4 COLUMN 1 MULTIPLIED BY COLUMN 2
- 5 SOURCE: NATIONAL GRID LOSS STUDY
- 6 COLUMN 4 MULTIPLIED BY COLUMN 5
- 7 COLUMN 1 MULTIPLIED BY COLUMN 3
- 8 SOURCE: NATIONAL GRID LOSS STUDY
- 9 COLUMN 7 MULTIPLIED BY COLUMN 8, PLUS COLUMN 6
- 10 COLUMN 1 LESS COLUMN 4 AND COLUMN 7
- 11 SUM OF COLUMNS 9 AND 10
- 12 SOURCE: NATIONAL GRID LOSS STUDY
- 13 COLUMN 11 MULTIPLIED BY COLUMN 12

**NARRAGANSETT ELECTRIC COMPANY  
DEVELOPMENT OF DEMANDS COINCIDENT WITH CLASS PEAK  
(TWELVE-MONTH AVERAGE)**

**SERVICE LEVEL = AT PRIMARY (WITH LOSSES)**

<u>RATE</u>	(1) CLASS PEAK <u>DEMAND</u>	(2) CLASS PK DEMAND <u>(PCT OF TOTAL)</u>
A16	577,135	38.12%
A18	49,029	3.24%
A32	15,106	1.00%
E30	239	0.02%
T (RES)	1,489	0.10%
B62	23,105	1.53%
C06	120,742	7.97%
E40	712	0.05%
G02	213,674	14.11%
G22	88,907	5.87%
G32	347,273	22.94%
G62	49,571	3.27%
N01	0	0.00%
ST LIGHT	150	0.01%
T (C&I)	1,270	0.08%
V00	1,393	0.09%
X01	<u>5,843</u>	<u>0.39%</u>
LEVEL	1,514,120	100.00%

COLUMN

NOTE:

1 SEE WORKPAPER 1B SECTION 5, COLUMNS 6, 9, AND 13

2 COLUMN 1 DIVIDED BY TOTAL IN COLUMN 1

**NARRAGANSETT ELECTRIC COMPANY  
DEVELOPMENT OF DEMANDS COINCIDENT WITH CLASS PEAK  
(TWELVE-MONTH AVERAGE)**

**SERVICE LEVEL = AT STEP DOWN (WITH LOSSES)**

<u>RATE</u>	(1) <u>CLASS PEAK DEMAND</u>	(2) <u>CLASS PK DEMAND (PCT OF TOTAL)</u>
A16	531,922	44.27%
A18	45,188	3.76%
A32	13,922	1.16%
E30	220	0.02%
T (RES)	1,373	0.11%
B62	0	0.00%
C06	111,283	9.26%
E40	656	0.05%
G02	194,155	16.16%
G22	81,942	6.82%
G32	218,337	18.17%
G62	0	0.00%
N01	0	0.00%
ST LIGHT	138	0.01%
T (C&I)	1,170	0.10%
V00	1,284	0.11%
X01	<u>0</u>	<u>0.00%</u>
LEVEL	1,201,592	100.00%

COLUMN

NOTE:

- 1 SEE WORKPAPER 1B SECTION 5, COLUMNS 6, 9, AND 13  
2 COLUMN 1 DIVIDED BY TOTAL IN COLUMN 1

**NARRAGANSETT ELECTRIC COMPANY  
DEVELOPMENT OF DEMANDS COINCIDENT WITH CLASS PEAK  
(TWELVE-MONTH AVERAGE)**

**SERVICE LEVEL = AT SECONDARY (WITH LOSSES)**

<u>RATE</u>	(1) CLASS PEAK <u>DEMAND</u>	(2) CLASS PK DEMAND <u>(PCT OF TOTAL)</u>
A16	531,922	54.11%
A18	45,188	4.59%
A32	13,922	1.41%
E30	220	0.02%
T (RES)	1,373	0.13%
B62	0	0.00%
C06	111,283	11.32%
E40	656	0.06%
G02	193,886	19.72%
G22	81,942	8.33%
G32	0	0.00%
G62	0	0.00%
N01	0	0.00%
ST LIGHT	138	0.01%
T (C&I)	1,170	0.11%
V00	1,284	0.13%
X01	<u>0</u>	<u>0.00%</u>
LEVEL	982,986	100.00%

COLUMN	NOTE:
1	SEE WORKPAPER 1B SECTION 5, COLUMNS 6, 9, AND 13
2	COLUMN 1 DIVIDED BY TOTAL IN COLUMN 1



THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

**Workpaper 1(c)**  
**Annual Earnings Report for Calendar Year 2003**

**Narragansett Electric Company**  
**Return on Rate Base**  
**Return on Common Equity**  
**Twelve Months Ended December 31, 2003**

Tab Name: Cover Page

Page 1 of 6

	Twelve Months Ending December 31, 2003			
	<u>Earned 1/</u>	<u>Earned 2/</u>	<u>Allowed 3/</u>	<u>Ceiling 3/</u>
Return on Intrastate Rate Base	10.53%	10.62%	9.02%	9.77%
Return on Intrastate Common Equity	13.52%	13.70%	10.50%	12.00%

1/ Excludes C&LM Incentive.

2/ Includes C&LM Incentive.

3/ Allowed Return and Ceiling, presented below.

	----- Per Docket 2930 Settlement, Section 11 (A) -----				
	<u>Allowed</u>		<u>Ceiling</u>		
	<u>Cost</u>	<u>Weighted</u>	<u>Cost</u>	<u>Weighted</u>	
<u>Total</u>	<u>Rate</u>	<u>Cost</u>	<u>Rate</u>	<u>Cost</u>	
Long Term Debt	45.00%	7.81%	3.51%	7.81%	3.51%
Preferred Stock	5.00%	5.20%	0.26%	5.20%	0.26%
Common Equity	<u>50.00%</u>	10.50%	<u>5.25%</u>	12.00% (a)	<u>6.00%</u>
	<u>100.00%</u>		<u>9.02%</u>		<u>9.77%</u>

(a) (10.50% + 150 Basis points)

5-Quarter Average  
INTRASTATE  
Rate Base  
As Of

December 31, 2003

\$516,985,918 \*

Long Term Debt	\$232,643,663
Preferred Stock	\$25,849,296
Common Equity	<u>\$258,492,959</u>
	<u>\$516,985,918</u>

----- EARNED -----

<u>Total</u>	<u>Cost</u>	<u>Weighted</u>		<u>Pre-Tax</u>
	<u>Rate</u>	<u>Cost</u>	<u>Taxes</u>	<u>Weighted Cost</u>
Long Term Debt	45.00%	7.81%		3.51%
Preferred Stock	5.00%	5.20%	0.14%	0.40%
Common Equity	<u>50.00%</u>	13.52%	<u>6.76%</u>	<u>10.35%</u>
	<u>100.00%</u>		<u>3.73%</u>	<u>14.26%</u>

\* From Page 3 of 6

(b) includes adj. for Flowthrough Items

**PREFERRED STOCK EARNINGS, INTEREST EXPENSE,**  
**AND FEDERAL INCOME TAX**  
**CALCULATED USING IMPUTED CAPITAL STRUCTURE**  
**PER DOCKET 2930 SETTLEMENT AGREEMENT**

						<u>\$(000)</u>
PREF. STOCK:	\$516,985,918	X	0.26%	=		\$1,344
INTEREST:	\$516,985,918	X	3.51%	=		\$18,169
FIT:	\$516,985,918	X	3.78% (c)	=		\$19,536
Plus: (Flowthrough Items)/65%-(Flowthrough Items)						(264)
Total FIT						<u>\$19,272</u>

(c) (0.26% + 6.76%) / 65% - (0.26% + 6.76%)

(d) Flowthrough Items

ITC Amortization	(717)
ITC Basis Reduction Depreciation	73
AFC Equity Depreciation	<u>153</u>
	<u>(\$490)</u>



**THE NARRAGANSETT ELECTRIC COMPANY**  
**RETURN ON EQUITY CALCULATION**  
**Twelve Months Ended December 31, 2003**

(000)

Line No.		<b>TOTAL COMPANY</b>	<b>INTERSTATE AMOUNT</b>	<b>INTRASTATE AMOUNT PER SCHEDULES</b>	
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	
1	Revenue - Sales of Electricity	397,687	\$0	\$397,687	
2	Other Revenue	382,249	0	387,068	1/
3	Total Revenue	\$779,936	\$0	\$784,755	
4	Operating Expenses:				
5	Purchased Power	469,398	0	469,398	
6	Fuel	0	0	0	
7	Production O&M	94	0	94	
8	Transmission Wheeling	42,641	0	42,641	
9	Genl & Admin. O&M	52,294	1,593	50,701	2/
10	All Other O&M, Including C&LM	43,003	395	65,365	3/
11	Amortization of Goodwill	0	0	0	4/
12	Depreciation	36,742	3,741	33,001	
13	Amort. - Loss on Reaq. Debt	---	103	609	5/
14	Amortization - Other	295	0	295	
15	Gross Earnings Tax	28,129	0	28,129	
16	Municipal Tax	20,274	3,141	17,133	
17	Other Taxes	3,917	113	3,804	
18	Current and Deferred Income Taxes	17,302			7/
19	Amortization of ITC	(717)	0	(717)	
20	(Gain)/Loss on Disposition of Utility Plant	0	0	0	
21	Interest on Cust. Deposits	---	0	127	6/
22	Donations	---	21	677	6/
23	Total Operating Expenses	<u>713,372</u>		<u>711,257</u>	
24	Net Operating Income	<u>\$66,564</u>			
25	Intrastate Operating Income Before Taxes			73,498	
26	Adjustments:				
27	SQS Penalties Accrued			950	
28	C&LM Incentive			(725)	
29					
30	Adjusted Intrastate Operating Income Before Taxes			73,723	
31	Interest Charges			18,169	7/
32	Income Taxes @ 35% (net of ITC)			<u>19,272</u>	7/ 8/
33	Net Income			36,282	
34	Less: Preferred Stock Earnings			<u>1,344</u>	7/
35	Earnings Available for Common			34,937	
36	Average Common Equity - 5-Quarter Average			<u>258,493</u>	7/
37	Rate of Return on Adjusted Average Common Equity			<u>13.52%</u>	

**NOTES:**

1/ Excludes excess earnings accrual of \$4819 for the 12 month period.

2/ Excludes a 2003 VERO charge totaling \$25.1 million.

3/ Excludes G&amp;T credit of \$-27337, Advertising exp.(account 930.1) of \$89, Membership Dues of \$88 and \$395 of other O&amp;M.

Also excludes incremental NIMO intergration costs of \$4082. Includes 100% of C&amp;LM expenses and an adjustment of \$-320 to normalize uncollectible accounts expense to actual net write-offs. Also excludes \$-0 of out-of-period environ. resp. funding adj.

4/ Goodwill and related amortization is eliminated from the ROE calculation.

Effective Sept. 2000, Goodwill Amortization reclassified to Below the Line, Other Income and Deductions.

5/ Held at Merger Settlement COS amount of \$712k due to fixing Capital Structure and Rates.

6/ Below the line items brought above the line for ratemaking.

7/ Calculated using imputed capital structure and cost rates in Docket 2930 settlement agreement (see cover page).

**NARRAGANSETT ELECTRIC COMPANY**  
**INTRASTATE RATE BASE - AVERAGE OF 5 MOST RECENT QUARTERS**

		<b><u>Dec-02</u></b>	<b><u>Mar-03</u></b>	<b><u>Jun-03</u></b>	<b><u>Sep-03</u></b>	<b><u>Dec-03</u></b>	<b>5-Quarter <u>Average</u></b>
<b><u>Total Utility Plant</u></b>		\$1,094,949	\$1,107,105	\$1,116,695	\$1,131,319	\$1,137,932	1,117,600
Less: Depreciation Reserve		(\$392,274)	(\$398,143)	(\$404,748)	(\$411,684)	(\$416,621)	(404,694)
Plus: Materials & Supplies		\$4,484	\$4,501	\$4,487	\$4,977	\$5,159	4,722
Fuel		\$0	\$0	\$0	\$0	\$0	0
Prepayments		\$353	\$198	\$122	\$118	(\$10)	156
Unamort. Loss on Reac. Debt		\$11,005	\$10,827	\$10,649	\$10,471	\$10,293	10,649
Cash Working Capital		\$12,599	\$12,599	\$12,599	\$12,599	\$12,599	12,599
Less: Contrib. in Aid of Constr.		\$0	\$0	\$0	\$0	\$0	0
Customer Deposits		(\$2,723)	(\$2,682)	(\$2,600)	(\$2,541)	(\$2,465)	(2,602)
Net Def. FIT Reserve		(\$86,335)	(\$50,091)	(\$59,853)	(\$63,181)	(\$83,849)	(68,662)
Uninsured Claims		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
		<b><u>642,056</u></b>	<b><u>684,315</u></b>	<b><u>677,351</u></b>	<b><u>682,078</u></b>	<b><u>663,038</u></b>	<b><u>669,768</u></b>
<b>Intrastate Allocating Factors</b>		<b><u>Intrastate Rate Base</u></b>					
84.5%	<b><u>Total Intrastate Utility Plant</u></b>	\$925,326	\$935,599	\$943,704	\$956,062	\$961,650	\$944,468
86.9%	Less: Deprec. Res.	(340,780)	(345,878)	(351,616)	(357,642)	(361,931)	(\$351,569)
85.5%	Plus: Mat. & Sup.	3,833	3,847	3,836	4,254	4,410	\$4,036
0.0%	Fuel	0	0	0	0	0	\$0
85.5%	Prepayments	301	169	104	101	(9)	\$133
85.5%	Unamort. Loss on Debt	9,407	9,255	9,103	8,951	8,798	\$9,103
100.0%	Cash Working Cap.	12,599	12,599	12,599	12,599	12,599	\$12,599
100.0%	Less: Contr. in Aid Constr.	0	0	0	0	0	\$0
100.0%	Customer Deposits	(2,723)	(2,682)	(2,600)	(2,541)	(2,465)	(\$2,602)
1/	Net Def. FIT Reserve	(99,343)	(100,635)	(99,034)	(99,769)	(97,128)	(\$99,182)
85.5%	Uninsured Claims	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>
<b>Rate Base</b>		<b><u>\$508,620</u></b>	<b><u>\$512,274</u></b>	<b><u>\$516,095</u></b>	<b><u>\$522,015</u></b>	<b><u>\$525,925</u></b>	<b><u>\$516,986</u></b>

1/ From Page 4 of 6

**NARRAGANSETT ELECTRIC COMPANY**  
**INTRASTATE DEFERRED FIT RESERVE - AVERAGE OF 5 MOST RECENT QUARTERS**

		<b><u>Dec-02</u></b>	<b><u>Mar-03</u></b>	<b><u>Jun-03</u></b>	<b><u>Sep-03</u></b>	<b><u>Dec-03</u></b>	<b><u>5-Quarter Average</u></b>
<b><u>1/ Allocation</u></b>							
100.0%	Cont. in Aid of Const.	\$3,761	\$3,776	\$5,121	\$5,471	\$5,821	\$4,790
0.0%	Storm Contingency Fund & Storm Costs	\$0	\$0	\$0	\$0	\$0	\$0
100.0%	ACRS Retirements	(\$1,535)	(\$1,535)	(\$2,314)	(\$2,314)	(\$2,314)	(\$2,002)
0.0%	Waste Disposal	\$0	\$0	\$0	\$0	\$0	\$0
0.0%	Additional Minimum Pension Liability	\$0	\$0	\$0	\$0	\$0	\$0
0.0%	Uninsured Claims	\$0	\$0	\$0	\$0	\$0	\$0
95.8%	Workers Compensation	\$594	\$565	\$369	\$435	\$469	\$486
0.0%	Unbilled Revenues & Budget Billing	\$0	\$0	\$0	\$0	\$0	\$0
100.0%	Bad Debt	\$2,784	\$3,124	\$3,575	\$3,440	\$3,416	\$3,268
95.8%	Pensions, Non-Qual. Pen., Non-Qual. Pen. Serp.	(\$8,011)	(\$8,502)	(\$6,592)	(\$6,135)	(\$1,431)	(\$6,134)
0.0%	Deferred Directors Comp. & Deferred Inc. Comp.	\$0	\$0	\$0	\$0	\$0	\$0
0.0%	Deferred Comp. - Salary	\$0	\$0	\$0	\$0	\$0	\$0
100.0%	Unfunded Tax Liability C/R Dist. Catch-up	(\$12,257)	(\$12,257)	(\$12,257)	(\$12,257)	(\$12,257)	(\$12,257)
0.0%	FAS 112	\$0	\$0	\$0	\$0	\$0	\$0
0.0%	Bonus/Vacation Accruals	\$0	\$0	\$0	\$0	\$0	\$0
0.0%	Supplemental Pensions, LHEDO/Severance	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)
85.5%	Sales Tax Audits	\$314	\$314	\$458	\$458	\$458	\$400
0.0%	Group Term	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)
85.5%	Materials and Supplies & Capitalized Off. Suppl.	\$11	\$6	\$17	\$17	\$18	\$14
0.0%	Rate Reserves	\$0	\$0	\$0	\$0	\$0	\$0
94.2%	Liberalized Depreciation, Construction Other, Transfers	(\$74,147)	(\$75,135)	(\$78,507)	(\$79,856)	(\$82,139)	(\$77,957)
84.5%	Municipal Taxes, Treaty Payment	(\$2,950)	(\$2,950)	(\$734)	(\$734)	(\$734)	(\$1,621)
100.0%	AFUDC	\$515	\$508	\$567	\$573	\$573	\$547
0.0%	FIT - Tax Reserve and Current Month Estimated Def. Tax	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)
85.5%	Loss Reacquired Debt	(\$3,131)	(\$3,068)	(\$2,918)	(\$2,841)	(\$2,765)	(\$2,945)
0.0%	Temporary Carryforward Items	\$0	\$0	\$0	\$0	\$0	\$0
0.0%	Rabbi Trust	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)
62.1%	Cost of Removal	(\$4,944)	(\$5,162)	(\$5,578)	(\$5,796)	(\$6,013)	(\$5,499)
100.0%	Pawtucket Hydro	(\$409)	(\$383)	(\$357)	(\$348)	(\$348)	(\$369)
100.0%	Divestiture	\$63	\$63	\$63	\$63	\$63	\$63
100.0%	EMS Amortization	(\$1)	(\$1)	\$55	\$55	\$55	\$33
0.0%	FAS 106 Costs	\$0	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)
0.0%	FAS 109 Costs	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)
	<b><u>Total Allocated Costs</u></b>	<b><u>(\$99,343)</u></b>	<b><u>(\$100,635)</u></b>	<b><u>(\$99,034)</u></b>	<b><u>(\$99,769)</u></b>	<b><u>(\$97,128)</u></b>	<b><u>(\$99,182)</u></b>

See Docket 2930 Settlement Agreement.

1/ Intrastate Allocation Factors in accordance with order in Docket 2930. For purposes of this report, allocators were updated for the twelve month period ended December 31, 2003

**NARRAGANSETT ELECTRIC COMPANY****TOTAL DEFERRED FIT RESERVE - AVERAGE OF 5 MOST RECENT QUARTERS**

		<b><u>Dec-02</u></b>	<b><u>Mar-03</u></b>	<b><u>Jun-03</u></b>	<b><u>Sep-03</u></b>	<b><u>Dec-03</u></b>	<b><u>5-Quarter Average</u></b>
100.0%	Cont. in Aid of Const.	\$3,761	\$3,776	\$5,121	\$5,471	\$5,821	\$4,790
100.0%	Storm Contingency Fund & Storm Costs	4,128	4,270	4,414	4,560	4,753	\$4,425
100.0%	ACRS Retirements	(1,535)	(1,535)	(2,314)	(2,314)	(2,314)	(\$2,002)
100.0%	Waste Disposal	1,104	1,293	1,085	949	1,123	\$1,111
100.0%	Additional Minimum Pension Liability	0	40,818	40,818	40,818	19,932	\$28,477
100.0%	Uninsured Claims	244	363	179	880	896	\$512
100.0%	Workers Compensation	620	589	385	454	490	\$508
100.0%	Unbilled Revenues & Budget Billing	3,314	2,740	7,203	8,978	8,392	\$6,126
100.0%	Bad Debt	2,784	3,124	3,575	3,440	3,416	\$3,268
100.0%	Pensions, Non-Qual. Pen., Non-Qual. Pen. Serp.	(8,360)	(8,871)	(6,879)	(6,402)	(1,493)	(\$6,401)
100.0%	Deferred Directors Comp. & Deferred Inc. Comp.	251	253	243	266	293	\$261
100.0%	Deferred Comp. - Salary	42	15	32	32	33	\$31
100.0%	Unfunded Tax Liability C/R Dist. Catch-up	(12,257)	(12,257)	(12,257)	(12,257)	(12,257)	(\$12,257)
100.0%	FAS 112	836	891	964	1,017	1,069	\$955
100.0%	Bonus/Vacation Accruals	827	996	557	664	890	\$787
100.0%	Supplemental Pensions, LHEDO/Severance	(780)	(781)	(798)	(797)	(796)	(\$791)
100.0%	Sales Tax Audits	367	367	535	535	535	\$468
100.0%	Group Term	(11)	(11)	(11)	(11)	(11)	(\$11)
100.0%	Materials and Supplies & Capitalized Off. Suppl.	13	7	20	20	21	\$16
100.0%	Rate Reserves	28,738	26,875	15,298	9,709	5,867	\$17,297
100.0%	Liberalized Depreciation, Construction Other, Transfers	(78,712)	(79,761)	(83,341)	(84,772)	(87,196)	(\$82,757)
100.0%	Municipal Taxes, Treaty Payment	(3,491)	(3,491)	(869)	(869)	(869)	(\$1,918)
100.0%	AFUDC	515	508	567	573	573	\$547
100.0%	FIT - Tax Reserve and Current Month Estimated Def. Ta	(1,043)	(1,043)	(1,043)	(1,043)	(1,043)	(\$1,043)
100.0%	Loss Reacquired Debt	(3,663)	(3,589)	(3,414)	(3,324)	(3,234)	(\$3,445)
100.0%	Temporary Carryforward Items	0	0	1,177	1,177	1,177	\$706
100.0%	Rabbi Trust	(197)	(190)	(50)	(55)	(93)	(\$117)
100.0%	Cost of Removal	(7,959)	(8,310)	(8,980)	(9,330)	(9,680)	(\$8,852)
100.0%	Pawtucket Hydro	(409)	(383)	(357)	(348)	(348)	(\$369)
100.0%	Divestiture	63	63	63	63	63	\$63
100.0%	EMS Amortization	(1)	(1)	55	55	55	\$33
100.0%	FAS 106 Costs	145	(1,079)	(6,017)	(5,416)	(3,865)	(\$3,247)
100.0%	FAS 109 Costs	<u>(15,670)</u>	<u>(15,736)</u>	<u>(15,814)</u>	<u>(15,902)</u>	<u>(16,045)</u>	<u>(15,833)</u>
	<b><u>Total Costs per G/L A/C 190 - 282 - 283</u></b>	<b><u>(\$86,335)</u></b>	<b><u>(\$50,091)</u></b>	<b><u>(\$59,853)</u></b>	<b><u>(\$63,181)</u></b>	<b><u>(\$83,849)</u></b>	<b><u>(\$68,662)</u></b>

See Docket 2930 Settlement Agreement.

1/ Intrastate Allocation Factors in accordance with order in Docket 2930. For purposes of this report, allocators were updated for the twelve month period end December 31, 2003

**THE NARRAGANSETT ELECTRIC COMPANY****Allocation Percentages****Twelve Months Ended December 31, 2003****(\$000)**

<b><u>Category</u></b>	<b><u>Total</u></b>	<b><u>Interstate</u></b>	<b><u>Intrastate</u></b>
O & M (excluding Fuel)	\$165,369 100.0%	\$1,988 <b>1.2%</b>	\$163,381 <b>98.8%</b>
O & M (excluding Fuel)	\$165,369	\$1,988	\$163,381
Less - General & Admin.	<u>(52,294)</u>	<u>(1,593)</u>	<u>(\$50,701)</u>
O&M (excl. Fuel, A&G)	113,075 100.0%	395 <b>0.3%</b>	112,679 <b>99.7%</b>
Administrative and General	\$52,294 100.0%	\$1,593 <b>3.0%</b>	\$50,701 <b>97.0%</b>
Payroll	100.0%	<b>4.2%</b>	<b>95.8%</b>
Donations	\$698 100.0%	\$21 <b>3.0%</b>	\$677 <b>97.0%</b>
Depreciation Expense	\$36,742 100.0%	\$3,741 <b>10.2%</b>	\$33,001 <b>89.8%</b>
Municipal Taxes	\$20,274 100.0%	\$3,141 <b>15.5%</b>	\$17,133 <b>84.5%</b>
Taxes Other:			
FICA	\$3,424	\$106	\$3,318
State Unemployment	190	6	184
Federal Unemployment	43	1	41
Misc. Other	<u>260</u>	<u>-</u>	<u>260</u>
	3,917 100.0%	113 <b>2.9%</b>	3,804 <b>97.1%</b>
Amort. of Loss on Debt	\$712 100.0%	\$103 <b>14.5%</b>	\$609 <b>85.5%</b>
Interest on Cust. Deposits	NA NA	NA NA	\$127 NA
Unamortized Loss on Debt	\$10,649 100.0%	\$1,546 <b>14.5%</b>	\$9,103 <b>85.5%</b>
Utility Plant (Inc PHFFU)	\$1,117,600 100.0%	\$173,132 <b>15.5%</b>	\$944,468 <b>84.5%</b>
Reserve for Depreciation	\$404,694 100.0%	\$53,125 <b>13.1%</b>	\$351,569 <b>86.9%</b>
Materials & Supplies	\$4,721 100.0%	\$685 <b>14.5%</b>	\$4,035 <b>85.5%</b>
Accum Def FIT: Lib. Deprec. Alloc.	100.0%	<b>5.8%</b>	<b>94.2%</b>
Prepayments	\$156 100.0%	\$23 <b>14.5%</b>	\$133 <b>85.5%</b>
Uninsured Claims	<u>0</u> 100.0%	<u>0</u> <b>100.0%</b>	<u>0</u> <b>0.0%</b>
Rate Base (Per Interstate Alloc)	\$669,767 100.0%	\$152,782 <b>22.8%</b>	\$516,985 <b>77.2%</b>
<b><u>Rate Base Allocator:</u></b>	<b><u>Total Co.</u></b>	<b><u>Interstate</u></b>	<b><u>Intrastate</u></b>
Utility Plant	\$1,117,600	\$173,132	\$944,468
Reserve for Depreciation	(\$404,694)	(\$53,125)	(\$351,569)
Loss on Debt	10,649	1,546	9,103
Materials & Supplies	4,721	685	4,035
Prepayments	156	23	133
CIAC	0	0	0
Customer Deposits	(2,602)	0	(2,602)
Reserve for Deferred FIT	(68,662)	30,520	(99,182)
Cash Working Capital	12,599	0	12,599
Uninsured Claims	<u>0</u>	<u>0</u>	<u>0</u>
Total Rate Base	<u>669,767</u>	<u>152,782</u>	<u>516,985</u>
Rate Base Allocator	100.0%	<b>22.8%</b>	<b>77.2%</b>



THE NARRAGANSETT ELECTRIC COMPANY

Re: R.I.P.U.C. Docket No. \_\_\_\_

Witness: Jeanne A. Lloyd

**Workpaper 2**  
**Test Year Revenue Proof**

The Narragansett Electric Company  
Test Year Revenue Proof Summary  
January 2003 through December 2003

	Calculated Customer Charge Rev (a)	Booked Customer Charge Rev (b)	Calculated Customer Prorate (c)	Prorate % (d)	Calculated Demand Charge Rev (e)	Booked Demand Charge Rev (f)	Demand Charge Difference (g)	Prorate % (h)	Calculated kWh Charge Rev (i)	Booked kWh Charge Rev (j)	Difference (k)	% Difference (l)	Calculated Total Revenue (m)	Booked Total Revenue (n)	Difference (o)	% Difference (p)
A16	\$10,949,599.64	\$10,981,490.08	\$31,890.44	0.291%	\$0.00	\$0.00	\$0.00	0.000%	\$88,274,207.71	\$88,419,482.09	\$145,274.38	0.165%	\$99,223,807.35	\$99,400,972.17	\$177,164.82	0.178%
A18	\$686,327.04	\$689,975.14	\$3,648.10	0.532%	\$0.00	\$0.00	\$0.00	0.000%	\$7,569,823.92	\$7,568,031.86	(\$1,792.06)	-0.024%	\$8,256,150.96	\$8,258,007.00	\$1,856.04	0.022%
A32	\$68,912.60	\$69,520.15	\$607.55	0.882%	\$0.00	\$0.00	\$0.00	0.000%	\$2,186,483.76	\$2,187,111.24	\$627.48	0.029%	\$2,255,396.36	\$2,256,631.39	\$1,235.03	0.055%
A60	\$0.00	\$0.00	\$0.00	0.000%	\$0.00	\$0.00	\$0.00	0.000%	\$4,103,113.30	\$4,105,582.98	\$2,469.68	0.060%	\$4,103,113.30	\$4,105,582.98	\$2,469.68	0.060%
A62	\$0.00	\$0.00	\$0.00	0.000%	\$0.00	\$0.00	\$0.00	0.000%	\$239,206.14	\$236,791.68	(\$2,414.46)	-1.009%	\$239,206.14	\$236,791.68	(\$2,414.46)	-1.020%
B62	\$376,611.84	\$386,883.59	\$10,271.75	2.727%	\$232,929.00	\$232,929.00	\$0.00	0.000%	\$614,877.17	\$622,913.86	\$8,036.69	1.307%	\$1,224,418.01	\$1,242,726.45	\$18,308.44	1.473%
C06	\$2,737,011.76	\$2,760,974.20	\$23,962.44	0.875%	\$0.00	\$0.00	\$0.00	0.000%	\$19,455,666.85	\$19,466,241.14	\$10,574.29	0.054%	\$22,192,678.61	\$22,227,215.34	\$34,536.73	0.155%
E30	\$1,176.24	\$1,168.18	(\$8.06)	-0.685%	\$0.00	\$0.00	\$0.00	0.000%	\$28,727.62	\$28,727.69	\$0.07	0.000%	\$29,903.86	\$29,895.87	(\$7.99)	-0.027%
E40	\$15,480.90	\$15,708.90	\$228.00	1.473%	\$0.00	\$0.00	\$0.00	0.000%	\$114,416.34	\$114,416.32	(\$0.02)	0.000%	\$129,897.24	\$130,125.22	\$227.98	0.175%
G02	\$8,240,432.67	\$8,217,734.48	(\$22,698.19)	-0.275%	\$8,366,802.03	\$8,441,037.82	\$74,235.79	0.887%	\$10,402,129.92	\$10,372,297.35	(\$29,832.57)	-0.287%	\$27,009,364.62	\$27,031,069.65	\$21,705.03	0.080%
G22	\$0.00	\$0.00	\$0.00	0.000%	\$1,896,615.90	\$1,908,680.18	\$12,064.28	0.636%	\$8,457,030.42	\$8,457,527.45	\$497.03	0.006%	\$10,353,646.32	\$10,366,207.63	\$12,561.31	0.121%
G32	\$2,688,918.39	\$2,757,513.16	\$68,594.77	2.551%	\$8,812,773.06	\$8,845,958.75	\$33,185.69	0.377%	\$21,393,162.99	\$21,344,398.29	(\$48,764.70)	-0.228%	\$32,894,854.44	\$32,947,870.20	\$53,015.76	0.161%
G62	\$2,276,789.76	\$2,242,928.73	(\$33,861.03)	-1.487%	\$494,100.15	\$501,097.07	\$6,996.92	1.416%	\$880,785.71	\$892,151.59	\$11,365.88	1.290%	\$3,651,675.62	\$3,636,177.39	(\$15,498.23)	-0.426%
M1	\$0.00	\$0.00	\$0.00	0.000%	\$0.00	\$0.00	\$0.00	0.000%	\$126,000.00	\$129,500.00	\$3,500.00	2.778%	\$126,000.00	\$129,500.00	\$3,500.00	2.703%
N01	\$0.00	\$0.00	\$0.00	0.000%	\$1,183,874.40	\$1,204,657.20	\$20,782.80	1.755%	\$707,259.33	\$642,748.67	(\$64,510.66)	-9.121%	\$1,891,133.73	\$1,847,405.87	(\$43,727.86)	-2.367%
R02	\$0.00	\$0.00	\$0.00	0.000%	\$0.00	\$0.00	\$0.00	0.000%	\$39,697.50	\$39,697.32	(\$0.18)	0.000%	\$39,697.50	\$39,697.32	(\$0.18)	0.000%
S10	\$1,039,021.09	\$1,036,759.27	(\$2,261.82)	-0.218%	\$0.00	\$0.00	\$0.00	0.000%	\$-215,253.07	\$-228,476.01	(\$13,222.94)	6.143%	\$823,768.02	\$808,283.26	(\$15,484.76)	-1.916%
S12	\$5,457,119.51	\$5,465,163.12	\$8,043.61	0.147%	\$0.00	\$0.00	\$0.00	0.000%	\$150,664.81	\$150,638.68	(\$26.13)	-0.017%	\$5,607,784.32	\$5,615,801.80	\$8,017.48	0.143%
S14	\$3,122,247.06	\$3,136,014.22	\$13,767.16	0.441%	\$0.00	\$0.00	\$0.00	0.000%	\$-454,337.73	\$-463,333.88	(\$8,996.15)	1.980%	\$2,667,909.33	\$2,672,680.34	\$4,771.01	0.179%
T-Res	\$18,133.92	\$17,995.13	(\$138.79)	-0.765%	\$0.00	\$0.00	\$0.00	0.000%	\$204,567.71	\$204,567.61	(\$0.10)	0.000%	\$222,701.63	\$222,562.74	(\$138.89)	-0.062%
T-C&I	\$6,969.76	\$6,939.95	(\$29.81)	-0.428%	\$0.00	\$0.00	\$0.00	0.000%	\$191,246.01	\$191,170.17	(\$75.84)	-0.040%	\$198,215.77	\$198,110.12	(\$105.65)	-0.053%
V02	\$21,359.85	\$21,311.22	(\$48.63)	-0.228%	\$0.00	\$0.00	\$0.00	0.000%	\$195,929.64	\$195,929.49	(\$0.15)	0.000%	\$217,289.49	\$217,240.71	(\$48.78)	-0.022%
X01	<u>\$120,000.00</u>	<u>\$120,000.00</u>	<u>\$0.00</u>	0.000%	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	0.000%	<u>\$101,638.15</u>	<u>\$101,638.16</u>	<u>\$0.01</u>	0.000%	<u>\$221,638.15</u>	<u>\$221,638.16</u>	<u>\$0.01</u>	0.000%
	\$37,826,112.03	\$37,928,079.52	\$101,967.49		\$20,987,094.54	\$21,134,360.02	\$147,265.48		\$164,767,044.21	\$164,779,753.75	\$12,709.54		\$223,580,250.78	\$223,842,193.29	\$261,942.51	0.117%

- (a) Revenue Proof Individual Rate Class Worksheets, column (5)  
(b) Revenue Proof Individual Rate Class Worksheets, column (6)  
(c) column (b) - column (a)  
(d) column (c) ÷ column (b)  
(e) Revenue Proof Individual Rate Class Worksheets, column (5)  
(f) Revenue Proof Individual Rate Class Worksheets, column (6)  
(g) column (f) - column (e)  
(h) column (g) ÷ column (e)  
(i) Revenue Proof Individual Rate Class Worksheets, column (5)  
(j) Revenue Proof Individual Rate Class Worksheets, column (6)  
(k) column (j) - column (i)  
(l) column (k) ÷ column (i)  
(m) column (a) + column (e) + column (i)  
(n) column (b) + column (f) + column (j)  
(o) column (m) - column (n)  
(p) column (o) ÷ column (n)



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The Narragansett Electric Company  
Test Year Revenue Proof - January 2003 through December 2003

Rate Class/Description (1)	Description of Charges (2)	Units (3)	Rate (4)	Revenues (5)	Revenue per Company Books (6)	Revenue Difference (7)
A-16 Residential	Customer Charge	4,310,866	\$2.54	\$10,949,599.64	\$10,981,490.08	\$31,890.44
	Distribution kWh Charge	2,423,783,847	\$ 0.03642	<u>\$88,274,207.71</u>	<u>\$88,419,482.09</u>	<u>\$145,274.38</u>
	Total Distribution Revenue			\$99,223,807.35	\$99,400,972.17	\$177,164.82
A-18 Residential Controlled Water Heating	Customer Charge	272,352	\$2.52	\$686,327.04	\$689,975.14	\$3,648.10
	Distribution kWh Charge	244,290,938	\$0.03536	\$8,638,127.57		
	Water Heating Credit (1st 750) (1)	161,570,941	(\$0.00661)	(\$1,067,983.92)		
	Hold Harmless Credits			<u>(\$319.73)</u>		
	Subtotal Distribution kWh Charges			<u>\$7,569,823.92</u>	<u>\$7,568,031.86</u>	<u>(\$1,792.06)</u>
	Total Distribution Revenue			\$8,256,150.96	\$8,258,007.00	\$1,856.04
	(1) Water Heating Credits from CIS data; kWhs calculated by dividing revenues by credit.					
A-60 Residential Low Income	Customer Charge	366,699	\$0.00	\$0.00	\$0.00	\$0.00
	Distribution kWh Charge	181,496,965	\$0.02551	\$4,629,987.58		
	BVE - 1st 300 kWh Charge (2)	21,443,105	(\$0.01436)	(\$307,922.99)		
	BVE - In excess of 300 kWh Charge (2)	13,671,492	\$0.01194	\$163,237.61		
	Newport - 1st 300 kWh Charge (2)	3,345,785	(\$0.00782)	(\$26,164.04)		
	Newport - In excess of 300 kWh Charge (2)	2,867,482	\$0.01952	\$55,973.25		
	Low Income Credit	181,496,965	(\$0.00227)	<u>(\$411,998.11)</u>		
	Total Distribution Revenue			4,103,113.30	4,105,582.98	\$2,469.68

Columns (3),(6): per Company monthly revenue reports

Column (4) per current tariffs; kWh charges include Settlement credit of \$0.00038 per kWh

Column (5): Column (3) times Column (4)

Column (7): Column (6) - Column (5)

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Date: 06/06/2004 10:57

The Narragansett Electric Company  
Test Year Revenue Proof - January 2003 through December 2003

Rate Class/Description (1)	Description of Charges (2)	Units (3)	Rate (4)	Revenues (5)	Revenue per Company Books (6)	Revenue Difference (7)
A-62 Residential Low Income with Controlled Water Heating	Customer Charge	14,535	\$0.00	\$0.00	\$0.00	\$0.00
	Distribution kWh Charge	12,230,498	\$0.02551	\$312,000.00		
	Water Heating Credit (1st 750)	8,387,867	(\$0.00661)	(\$55,443.80)		
	BVE - 1st 300 kWh Charge (2)	293,012	(\$0.01436)	(\$4,207.65)		
	BVE - In excess of 300 kWh Charge (2)	277,345	\$0.01194	\$3,311.50		
	Newport - 1st 300 kWh Charge (2)	506,258	(\$0.00782)	(\$3,958.94)		
	Newport - In excess of 300 kWh Charge (2)	335,322	\$0.01952	\$6,545.49		
	Low Income Credit	8,387,867	(\$0.00227)	(\$19,040.46)		
	Total Distribution Revenue			239,206.14	236,791.68	(\$2,414.46)
	(1) Water Heating Credits from SMB702 data file; kWhs calculated by dividing revenues by credit.					
A-32 Residential Time-of-Use	Customer Charge	29,962	\$2.30	\$68,912.60	\$69,520	\$607.55
	Meter Charge	23,483	\$4.44	\$104,264.52		
	Distribution kWh Charge	81,400,283	\$0.02558	<u>\$2,082,219.24</u>		
	Total Distribution kWh Charge			<u>\$2,186,483.76</u>	<u>\$2,187,111</u>	<u>\$627.48</u>
	Total Distribution Revenue			\$2,255,396.36	\$2,256,631.39	\$1,235.03
E-30 Residential Storage Heat	Customer Charge	156	\$7.54	\$1,176.24	\$1,168.18	(\$8.06)
	Distribution kWh Charge	1,815,905	\$0.01582	<u>\$28,727.62</u>	<u>\$28,727.69</u>	<u>\$0.07</u>

Columns (3),(6): per Company monthly revenue reports

Column (4) per current tariffs; kWh charges include Settlement credit of \$0.00038 per kWh

Column (5): Column (3) times Column (4)

Column (7): Column (6) - Column (5)

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Date: 06/06/2004 10:57

The Narragansett Electric Company  
Test Year Revenue Proof - January 2003 through December 2003

Rate Class/Description (1)	Description of Charges (2)	Units (3)	Rate (4)	Revenues (5)	Revenue per Company Books (6)	Revenue Difference (7)
	Total Distribution Revenue			\$29,903.86	\$29,895.87	(\$7.99)
T-06 Limited All-Electric Living - Residential	Customer Charge	2,313	\$7.84	\$18,133.92	\$17,995.13	(\$138.79)
	Distribution kWh Charge	9,104,037	\$0.02247	<u>\$204,567.71</u>	<u>\$204,567.61</u>	<u>(\$0.10)</u>
	Total Distribution Revenue			\$222,701.63	\$222,562.74	(\$138.89)
T-06 Limited All-Electric Living - Commercial	Customer Charge	889	\$7.84	\$6,969.76	\$6,939.95	(\$29.81)
	Distribution kWh Charge	8,511,171	\$0.02247	<u>\$191,246.01</u>	<u>\$191,170.17</u>	<u>(\$75.84)</u>
	Total Distribution Revenue			\$198,215.77	\$198,110.12	(\$105.65)
C-06 Small C&I	Customer Charge	503,089	\$5.73	\$2,882,699.97		
	Customer Charge Credit - BVE (1)			(\$127,552.66)		
	Customer Charge Credit - Newport (1)			(\$24,589.96)		
	Unmetered Charge	3,527	\$1.83	<u>\$6,454.41</u>		
	Total Customer Charge			\$2,737,011.76	\$2,760,974.20	\$23,962.44
	Distribution kWh Charge	504,106,928	\$0.03860	\$19,458,527.42		
	Hold Harmless Credits			<u>(\$2,860.57)</u>		
	Total Distribution kWh Charge			<u>\$19,455,666.85</u>	<u>\$19,466,241.14</u>	<u>\$10,574.29</u>
	Total Distribution Revenue			\$22,192,678.61	\$22,227,215.34	\$34,536.73

Columns (3),(6): per Company monthly revenue reports

Column (4) per current tariffs; kWh charges include Settlement credit of \$0.00038 per kWh

Column (5): Column (3) times Column (4)

Column (7): Column (6) - Column (5)

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Date: 06/06/2004 10:57

The Narragansett Electric Company  
Test Year Revenue Proof - January 2003 through December 2003

Rate Class/Description (1)	Description of Charges (2)		Units (3)	Rate (4)	Revenues (5)	Revenue per Company Books (6)	Revenue Difference (7)
	(1). Customer Charge Credit - former EUA Companies						
	Number of Bills Less than kWh Threshold (a)	Annual kWhs (b)	kWhs Threshold (c)	Number of Bills times Threshold (d)=(a)x(c)	Threshold less Actual kWhs (e)=(d)-(b)	Customer Charge Credit (f)	Credit (g)=(e)x(f)
	Blackstone Valley	75,981	15,296,985	698	53,034,459	37,737,474	(\$0.00338)
	Newport	14,411	453,415	124	1,786,927	1,333,512	(\$0.01844)
R-02 Limited Traffic Signal	Customer Charge		7,368	\$0.00	\$0.00		
	Distribution kWh Charge		4,578,720	\$0.00867	\$39,697.50	\$39,697.32	(\$0.18)
	Total Distribution Revenue				\$39,697.50	\$39,697.32	(\$0.18)
E-40 Storage Cooling	Customer Charge		206	\$75.15	\$15,480.90	\$15,708.90	\$228.00
	Distribution Peak kWh Charge	34.29%	2,627,338	\$ 0.02536	\$66,629.29		
	Distribution Off-Peak kWh Charge	65.71%	5,035,516	\$ 0.00949	\$47,787.05		
	Total Distribution kWh Charge		7,662,854		\$114,416.34	\$114,416.32	(\$0.02)
	Total Distribution Revenue				\$129,897.24	\$130,125.22	\$227.98
V-02 Business Space Heating	Customer Charge		2,721	\$7.85	\$21,359.85	\$21,311.22	(\$48.63)

Columns (3),(6): per Company monthly revenue reports

Column (4) per current tariffs; kWh charges include Settlement credit of \$0.00038 per kWh

Column (5): Column (3) times Column (4)

Column (7): Column (6) - Column (5)

File: S:\RADATA1\2004 neco\ACOS\[neco.revproof.xls]Detail

Date: 06/06/2004 10:57

The Narragansett Electric Company  
Test Year Revenue Proof - January 2003 through December 2003

Rate Class/Description (1)	Description of Charges (2)	Units (3)	Rate (4)	Revenues (5)	Revenue per Company Books (6)	Revenue Difference (7)
	Distribution kWh Charge	6,449,297	\$0.03038	<u>\$195,929.64</u>	<u>\$195,929.49</u>	<u>(\$0.15)</u>
	Total Distribution Revenue			\$217,289.49	\$217,240.71	(\$48.78)
G-02 General C&I	Customer Charge	79,687	\$103.41	\$ 8,240,432.67	\$8,217,734	(\$22,698.19)
	Distribution kW Charge(in excess of 10 kW)	2,875,189.7	\$2.91	\$8,366,802.03	\$8,441,037.82	\$74,235.79
	Distribution kWh Charge	1,051,839,603	\$0.00992	\$10,434,248.86		
	HVD Credit	47,149.9	(\$0.37)	(\$17,445.46)		
	HVM Credit (1)			(\$13,284.50)		
	Hold Harmless Credits			<u>(\$1,388.98)</u>		
	Total Distribution kWh Charge			<u>\$10,402,129.92</u>	<u>\$10,372,297.35</u>	<u>(\$29,832.57)</u>
	Total Distribution Revenue			\$27,009,364.62	\$27,031,069.65	\$21,705.03
				% of Dist Revs		
	(1) HVM Credit: Total HVM	(\$13,284.50)				
	less: Transmission HVM	(\$678.23)				
	less: CLM HVM	(\$352.03)				
	less: Standard Offer/Last Resort	<u>(\$7,570.34)</u>				
	Distribution/Transition HVM	(\$4,683.90)	-0.017%			
G-22 Limited Medium C&I	Customer Charge	32,297	\$0.00	\$0.00	\$0.00	\$0.00
	Distribution kW Charge	1,264,410.6	\$1.50	\$1,896,615.90	\$1,908,680.18	\$12,064.28

Columns (3),(6): per Company monthly revenue reports

Column (4) per current tariffs; kWh charges include Settlement credit of \$0.00038 per kWh

Column (5): Column (3) times Column (4)

Column (7): Column (6) - Column (5)

File: S:\RADATA1\2004 neco\ACOS\[neco.revproof.xls]Detail

Date: 06/06/2004 10:57

The Narragansett Electric Company  
Test Year Revenue Proof - January 2003 through December 2003

Rate Class/Description (1)	Description of Charges (2)	Units (3)	Rate (4)	Revenues (5)	Revenue per Company Books (6)	Revenue Difference (7)
	Distribution kWh Charge	382,207,580	\$0.02215	\$8,465,897.90		
	Power Factor Credits			(\$8,867.48)		
	Total Distribution kWh Charge			<u>\$8,457,030.42</u>	<u>\$8,457,527.45</u>	<u>\$497.03</u>
	Total Distribution			\$10,353,646.32	\$10,366,207.63	\$12,561.31
G-32	Customer Charge	11,373	\$236.43	\$2,688,918.39	\$2,680,393.16	(\$8,525.23)
200 kW Demand	Second Feeder Service Revenues	32,000	\$2.41	\$77,120.00	\$77,120.00	\$0.00
	Distribution kW Charge	5,649,213.5	\$1.56	\$8,812,773.06	\$8,845,958.75	\$33,185.69
	Distribution kWh Charge	2,064,808,881	\$0.01101	\$22,733,545.78		
	HVD Credit - Pri	1,565,367.8	(\$0.37)	(\$579,186.07)		
	HVD Credit - 115kV	126,601.6	(\$2.14)	(\$270,927.46)		
	HVM Credit			(476,993)		
	Hold Harmless Credits			(\$13,276.50)		
	Total Distribution kWh Charges			<u>\$21,393,162.99</u>	<u>\$21,344,398.29</u>	<u>(\$48,764.70)</u>
	Total Distribution Revenue			\$32,971,974.44	\$32,947,870.20	(\$24,104.24)
			<u>% of Dist Revs</u>			
	(1) HVM Credit: Total HVM	(\$476,992.76)				
	less: Transmission HVM	(\$52,749.14)				
	less: CLM HVM	(\$31,186.54)				
	less: Standard Offer/Last Resort	<u>(\$269,694.09)</u>				
	Distribution/Transition HVM	(\$123,362.99)	-0.359%			

Columns (3),(6): per Company monthly revenue reports

Column (4) per current tariffs; kWh charges include Settlement credit of \$0.00038 per kWh

Column (5): Column (3) times Column (4)

Column (7): Column (6) - Column (5)

File: S:\RADATA1\2004 neco\ACOS\[neco.revproof.xls]Detail

Date: 06/06/2004 10:57

The Narragansett Electric Company  
Test Year Revenue Proof - January 2003 through December 2003

Rate Class/Description (1)	Description of Charges (2)	Units (3)	Rate (4)	Revenues (5)	Revenue per Company Books (6)	Revenue Difference (7)
G-62 3000 kW Demand	Customer Charge	133	\$17,118.72	\$2,276,789.76	\$2,242,928.73	(\$33,861.03)
	Distribution kW Charge	658,800.2	\$0.75	\$494,100.15	\$501,097.07	\$6,996.92
	Distribution kWh Charge	319,408,200	\$0.00396	\$1,264,856.47		
	HVD Credit - Pri	545,040.5	(\$0.37)	(\$201,664.98)		
	HVD Credit - 115kV					
	HVM Credit			<u>(182,406)</u>		
	Total Distribution kWh Charge			<u>\$880,785.71</u>	<u>\$892,151.59</u>	<u>\$11,365.88</u>
	Total Distribution Revenue			\$3,651,675.62	\$3,636,177.39	(\$15,498.23)
			<u>% of Dist Revs</u>			
	(1) HVM Credit: Total HVM	(182,405.78)				
	less: Transmission HVM	(11,074.03)				
	less: CLM HVM	(7,346.39)				
	less: Standard Offer/Last Resort HVM	<u>(117,446.16)</u>				
	Distribution/Transition HVM	(46,539.20)	-1.161%			
N-01 69 kV Rate	Customer Charge	12	\$0.00	\$0.00	\$0.00	\$0.00
	Distribution kW Charge	214,470.0	\$5.52	\$1,183,874.40	<u>\$1,204,657.20</u>	\$20,782.80
	Reactive kWhs	<u>17,685</u>	\$0.17	\$3,006.45		
	Distribution kWh Charge	115,074,000	\$0.00612	<u>\$704,252.88</u>		
	Total Distribution kWh Charge			<u>\$707,259.33</u>	<u>\$642,748.67</u>	<u>(\$64,510.66)</u>

Columns (3),(6): per Company monthly revenue reports

Column (4) per current tariffs; kWh charges include Settlement credit of \$0.00038 per kWh

Column (5): Column (3) times Column (4)

Column (7): Column (6) - Column (5)

File: S:\RADATA1\2004 neco\ACOS\[neco.revproof.xls]Detail

Date: 06/06/2004 10:57

The Narragansett Electric Company  
Test Year Revenue Proof - January 2003 through December 2003

Rate Class/Description (1)	Description of Charges (2)	Units (3)	Rate (4)	Revenues (5)	Revenue per Company Books (6)	Revenue Difference (7)
	Total Distribution Revenue			\$1,891,133.73	\$1,847,405.87	(\$43,727.86)
B-62 3000 kW Demand - Backup	Customer Charge	22	\$17,118.72	\$376,611.84	\$386,883.59	\$10,271.75
	Backup Distribution kW Charge	136,638.0	\$0.75	\$102,478.50		
	Supplemental Distribution kW Charge	173,934.0	\$0.75	\$130,450.50		
	Total	310,572.0				
	Backup Distribution kWh Charge	34,669,600	\$0.00396	\$137,291.62		
	Supplemental Distribution kWh Charge	144,955,200	\$0.00396	\$574,022.59		
	Total	179,624,800				
	HVD Credit	104,643.0	(\$0.37)	(\$38,717.91)		
	HVM Credit (1)			(\$57,719.13)		
	Total Demand Charges			\$232,929.00	\$232,929.00	\$0.00
	Total Energy Charges			<u>\$614,877.17</u>	<u>\$622,913.86</u>	<u>\$8,036.69</u>
	Total Distribution Revenue			\$1,224,418.01	\$1,242,726.45	\$18,308.44
			<u>% of Dist Revs</u>			
	(1) HVM Credit: Total HVM	(\$57,719.13)				
	less: Transmission HVM	(\$5,616.87)				
	less: CLM HVM	(\$3,333.97)				
	less: Standard Offer/Last Resort HVM	<u>(\$21,714.35)</u>				
	Distribution/Transition HVM	(\$27,053.94)	-2.03%			

Columns (3),(6): per Company monthly revenue reports

Column (4) per current tariffs; kWh charges include Settlement credit of \$0.00038 per kWh

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File: S:\RADATA1\2004 neco\ACOS\[neco.revproof.xls]Detail

Date: 06/06/2004 10:57

The Narragansett Electric Company  
Test Year Revenue Proof - January 2003 through December 2003

Rate Class/Description (1)	Description of Charges (2)	Units (3)	Rate (4)	Revenues (5)	Revenue per Company Books (6)	Revenue Difference (7)
X-01 Electric Propulsion	Customer Charge	12	\$10,000.00	\$120,000.00	\$120,000.00	\$0.00
	Distribution kWh Charge	25,666,200	\$0.00396	<u>\$101,638.15</u>	<u>\$101,638.16</u>	<u>\$0.01</u>
	Total Distribution			\$221,638.15	\$221,638.16	\$0.01
M-1 Station Power	Distribution Charge	36	\$3,500.00	\$126,000.00	\$129,500.00	\$3,500.00
	Distribution kWh Charges	798,000	\$0.00	\$0.00	\$0.00	\$0.00

Columns (3),(6): per Company monthly revenue reports

Column (4) per current tariffs; kWh charges include Settlement credit of \$0.00038 per kWh

Column (5): Column (3) times Column (4)

Column (7): Column (6) - Column (5)

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The Narragansett Electric Company												
Test Year Revenue Proof - January 2003 through December 2003												
		S-10	Current	S-10		S-12	Current	S-12		S-14	Current	S-14
		Units	Luminaire	Luminaire		Units	Luminaire	Luminaire		Units	Luminaire	Luminaire
			Charge	Revenue			Charge	Revenue			Charge	Revenue
Incandescent	10	1,000	184	\$75.22	\$1,153.37	744	\$75.22	\$4,663.64	3196	\$75.22	\$20,033.59	
	11	2,500	0	\$67.45	\$0.00	36	\$67.45	\$202.35	356	\$67.45	\$2,001.02	
	50	1,000	0	\$75.22	\$0.00	0	\$75.22	\$0.00	0	\$75.22	\$0.00	
	Total		184		\$1,153.37	780		\$4,865.99	3,552		\$22,034.61	
Mercury Vapor	2	8,000 Post Top	0	\$108.85	\$0.00	24	\$108.85	\$217.70	24	\$108.85	\$217.70	
	3	4,000	2380	\$58.40	\$11,582.67	31048	\$58.40	\$151,100.27	27921	\$58.40	\$135,882.20	
	4	8,000	3372	\$70.77	\$19,886.37	10265	\$70.77	\$60,537.84	850	\$70.77	\$5,012.88	
	5	22,000	1330	\$122.31	\$13,556.03	14206	\$122.31	\$144,794.66	7543	\$122.31	\$76,882.03	
	6	63,000	82	\$234.25	\$1,600.71	1020	\$234.25	\$19,911.25	0	\$234.25	\$0.00	
	16	12,100	0	\$70.77	\$0.00	0	\$70.77	\$0.00	92	\$70.77	\$542.57	
	17	15,000 In	0	\$122.97	\$0.00	1119	\$122.97	\$11,466.95	0	\$122.97	\$0.00	
	18	15,000 Out	0	\$122.97	\$0.00	704	\$122.97	\$7,214.24	0	\$122.97	\$0.00	
	23	22,000 Flood	10602	\$152.08	\$134,362.68	0	\$152.08	\$0.00	484	\$152.08	\$6,133.89	
	24	63,000 Flood	5805	\$262.72	\$127,090.80	0	\$262.72	\$0.00	100	\$262.72	\$2,189.33	
	64	22,000 24 Hour	0	\$222.87	\$0.00	0	\$222.87	\$0.00	0	\$222.87	\$0.00	
	90	63,000 twin	0	\$234.25	\$0.00	24	\$234.25	\$937.00	0	\$234.25	\$0.00	
	91	15,000 twin	0	\$122.97	\$0.00	84	\$122.97	\$1,721.58	0	\$122.97	\$0.00	
	92	22,000 twin	0	\$122.31	\$0.00	60	\$122.31	\$1,223.10	0	\$122.31	\$0.00	
	95	22,000 twin	0	\$122.31	\$0.00	420	\$122.31	\$8,561.70	0	\$122.31	\$0.00	
	96	63,000 twin	0	\$234.25	\$0.00	12	\$234.25	\$468.50	0	\$234.25	\$0.00	
	Total		23,571		\$308,079.26	58,986		\$408,154.79	37,014		\$226,860.60	
Sodium Vapor	70	4,000	789	\$62.78	\$4,127.79	235466	\$62.78	\$1,231,879.62	95195	\$62.78	\$498,028.51	
	71	5,800	3874	\$66.28	\$21,397.39	4085	\$66.28	\$22,562.82	168124	\$66.28	\$928,604.89	
	72	9,600	1642	\$72.63	\$9,938.21	125386	\$72.63	\$758,898.77	55466	\$72.63	\$335,707.97	
	73	16,000	120	\$72.63	\$726.30	0	\$72.63	\$0.00	264	\$72.63	\$1,597.86	
	74	27,500	1990	\$120.39	\$19,964.68	152428	\$120.39	\$1,529,233.91	48941	\$120.39	\$491,000.58	
	75	50,000	560	\$163.46	\$7,628.13	11368	\$163.46	\$154,851.11	3756	\$163.46	\$51,162.98	
	77	27,500 Flood	15557	\$143.14	\$185,569.08	0	\$143.14	\$0.00	3696	\$143.14	\$44,087.12	
	78	50,000 Flood	28799	\$181.37	\$435,272.89	3415	\$181.37	\$51,614.88	7058	\$181.37	\$106,675.79	
	79	9,600 Post Top	96	\$78.56	\$628.48	0	\$78.56	\$0.00	6094	\$78.56	\$39,895.39	
	80	115,000 met halide	516	\$181.37	\$7,798.91	0	\$181.37	\$0.00	48	\$181.37	\$725.48	
	83	4,000	720	\$66.28	\$3,976.80	0	\$66.28	\$0.00	2388	\$66.28	\$13,189.72	
	84	27,500 24 Hour	0	\$172.21	\$0.00	504	\$172.21	\$7,232.82	0	\$172.21	\$0.00	
	93	27,500 twin	0	\$120.39	\$0.00	132	\$120.39	\$2,648.58	0	\$120.39	\$0.00	
	97	27,500 twin	0	\$120.39	\$0.00	120	\$120.39	\$2,407.80	0	\$120.39	\$0.00	
	98	50,000 twin	0	\$163.46	\$0.00	144	\$163.46	\$3,923.04	0	\$163.46	\$0.00	
	710	1,000 to 4,000	0	\$62.78	\$0.00	127879	\$62.78	\$669,020.30	0	\$62.78	\$0.00	
	711	2,500 to 4,000	0	\$62.78	\$0.00	7322	\$62.78	\$38,306.26	0	\$62.78	\$0.00	
	750	1,000 to 4,000	0	\$62.78	\$0.00	5904	\$62.78	\$30,887.76	0	\$62.78	\$0.00	
	755	600 to 4,000	0	\$62.78	\$0.00	28847	\$62.78	\$150,917.89	0	\$62.78	\$0.00	
	756	600 to 4,000	0	\$62.78	\$0.00	5473	\$62.78	\$28,632.91	0	\$62.78	\$0.00	
	Total		54,663		\$697,028.66	708,473		\$4,683,018.47	391,030		\$2,510,676.29	
Total Fixture Charge Revenue		78,418		\$1,006,261.29	768,239		\$5,096,039.25	431,596		\$2,759,571.50		
Poles	Wood	P	3086	\$55.45	\$14,259.89	468	\$110.86	\$4,323.54	3404	\$55.45	\$15,729.32	
	Non-Metalic	R	1669	\$57.34	\$7,975.04	2846	\$110.86	\$26,292.30	10252	\$57.34	\$48,987.47	
	Fiberglass<25	C	49	\$111.04	\$453.41	0	\$110.86	\$0.00	1237	\$111.04	\$11,446.37	
	Fiberglass>25	D	0	\$185.67	\$0.00	0	\$110.86	\$0.00	484	\$185.67	\$7,488.69	
	Metal With Base T		477	\$253.37	\$10,071.46	35771	\$110.86	\$330,464.42	13215	\$253.37	\$279,023.71	
Total Pole Charge Revenue		5,281		\$32,759.80	39,085		\$361,080.26	28,592		\$362,675.56		
Total Fixture and Pole Revenue				\$1,039,021.09			\$5,457,119.51			\$3,122,247.06		
Test Year Booked Revenue				\$1,036,759.27			\$5,465,163.12			\$3,136,014.22		
Difference				(\$2,261.82)			\$8,043.61			\$13,767.16		
Distribution Energy Charge Revenue												
		Annual kWh Use	Base Charge	Base Rev		Annual kWh Use	Base Charge	Base Rev		Annual kWh Use	Base Charge	Base Rev
Annual kWh Usage		11,462,624	\$0.00396	\$45,391.99		38,046,670	\$0.00396	\$150,664.81		19,723,647	\$0.00396	\$78,105.64
Zonal Credit - Blackstone		4,619,079	(\$0.04420)	(\$204,163.29)						9,491,527	(\$0.04420)	(\$419,525.49)
Zonal Credit - Newport		1,853,504	(\$0.02918)	(\$54,085.25)						3,470,389	(\$0.02918)	(\$101,265.95)
Hold Harmless Credits - 2003				(\$2,396.52)								(\$11,651.93)
Total Calculated Energy Charge Revenue				(\$215,253.07)				\$150,664.81				(\$454,337.73)
Booked Revenue				(\$228,476.01)				\$150,638.68				(\$463,334)
Difference				(\$13,222.94)				(\$26.13)				(\$8,996.15)

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The Narragansett Electric Company  
 Test Year Revenue Proof - January 2003 through December 2003  
 Adjustment to N-01 Test Year Revenues (1)

	N-01 Test Year Billing Units (1)	Rate G-62 Charges (2)	Rate G-62 Revenues (3)
1. Customer Charge	12	\$17,118.72	\$205,424.64
2. Distribution kW Charge	214,470.0	\$0.75	\$160,852.50
	-		
3. Distribution kWh Charge	115,074,000	\$0.00396	\$455,693.04
4. HVD	214,470.0	(\$0.37)	(\$79,353.90)
5. HVM	\$821,970	-1.0%	(\$8,219.70)
6. HVM on Transition Charges (2)	\$983,883	-1.0%	<u>(\$9,838.83)</u>
7. Total HVM (Line 5 + Line 6)	-2.20%		<u>(\$18,058.53)</u>
8. Total Distribution kWh Charge Revenue and Credits (Line 3 + Line 4 + Line 7)			<u>\$358,280.61</u>
9. Total Distribution Revenue (Line 1 + Line 2 + Line 8)			\$724,557.75
10. Test Year Revenue from Workpaper 2, Page 1 of 9			<u>\$1,911,916.53</u>
11. Adjustment to Test Year Revenue (Line 9 - Line 10)			(\$1,187,358.78)

(1) Per Commission order in Docket No. 3551, US Navy will transfer to Rate G-62 effective January 1, 2005

(2) Current transition charge of \$.00855 per kWh times test year kWh deliveries = \$983,833.